Journal of the House

State of Indiana

119th General Assembly *First Regular Session*

Twentieth Day **Tuesday Afternoon** **February 17, 2015**

The invocation was offered by Pastor Steve Cole of Faith Church of Christ in Kokomo, a guest of Representative Heath R. VanNatter.

The House convened at 1:30 p..m. with Speaker Brian C. Bosma in the Chair.

The Pledge of Allegiance to the Flag was led by Representative Heath R. VanNatter.

The Speaker ordered the roll of the House to be called:

Arnold
Austin
Aylesworth
Bacon
Baird
Bartlett
Bauer □
Behning
Beumer
Borders
Braun
C. Brown
T. Brown
Burton
Carbaugh
Cherry
Clere
Cook
Cox
Culver
Davisson
DeLaney
Dermody
DeVon
Dvorak
Eberhart
Errington
Fine
Forestal
Friend
Frizzell □
Frye
GiaQuinta
Goodin
Gutwein
Hale
Hamm
Harman
Harris
Heaton
Huston □
Judy
Karickhoff
Kersey
Kirchhofer
Klinker
Koch
Lawson
Lehe
Lehman
Leonard
Lucas
Macer
Mahan
Mayfield
McMillin
McNamara
D. Miller
Moed
Morris
Morrison
Moseley
Negele
Niezgodski
Nisly
Ober
Olthoff
Pelath
Pierce
Porter
Price
Pryor
Rhoads
Richardson
Riecken
Saunders
Schaibley
Shackleford
Slager
Smaltz
M. Smith
V. Smith
Soliday
Speedy
Stemler □
Steuerwald
Sullivan
Summers
Thompson
Torr
Truitt
Ubelhor
VanNatter
Washburne
Wesco
Wolkins □
Wright
Zent
Ziemke
Mr. Speaker

Roll Call 151: 95 present; 5 excused. The Speaker announced a quorum in attendance. [*NOTE*: □ *indicates those who were excused*.]

HOUSE MOTION

Mr. Speaker: I move that when we do adjourn, we adjourn until Thursday, February 19, 2015, at 10:00 a.m.

MCMILLIN

The motion was adopted by a constitutional majority.

RESOLUTIONS ON FIRST READING

House Concurrent Resolution 21

Representatives Cox, GiaQuinta and Leonard introduced House Concurrent Resolution 21:

A CONCURRENT RESOLUTION honoring the Leo High School girls softball team.

Whereas, Leo High School won the school's first state title in any sport with a 2 - 0 victory over Gibson Southern High School to win the Indiana High School Athletic Association Class 3A state softball title;

Whereas, Junior Lindsey Bowers pitched seven scoreless innings, giving up only four hits and striking out five;

Whereas, The Lions scored on an error in the first inning and added their second run in the sixth when freshman Makayla Hissong scored on a sacrifice fly by Hannah Risser;

Whereas, The Titans loaded the bases with only one out in the sixth inning, but the Leo defense buckled down and held Gibson Southern scoreless;

Whereas, Head coach Ben Shappell led the Lions to a 27 - 6 record; and

Whereas, Outstanding accomplishments, whether they be on the athletic field or in the classroom, deserve special recognition: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana, the Senate concurring:

SECTION 1. That the Indiana General Assembly congratulates the Leo High School girls softball team on its Indiana High School Athletic Association Class 3A state softball title and wishes the team continued success in all of its future endeavors.

SECTION 2. That the Principal Clerk of the House of Representatives transmit a copy of this resolution to team members Madeline MacDonald, Audrey Lukemire, Morgan Finton, Breanna Carpenter, Hannah Risser, Brooke Imel,

Morgan Poeppel, Makayla Hissong, Lindsey Bowers, Alexa Allen, Robyn Hall, Abbie Heischman, Shelby Fraser, manager Jessica Reschly, assistant coaches Joe Mickelini, Jeff Claxton, Tony Bowers, head coach Ben Shappell, principal Neal Brown III, and superintendent Dr. Kenneth H. Folks.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution. Senate sponsor: Senator Kruse.

House Concurrent Resolution 22

Representatives Truitt and Klinker introduced House Concurrent Resolution 22:

A CONCURRENT RESOLUTION congratulating the West Lafayette High School boys cross country team on its state title.

Whereas, For the first time since 1964, the West Lafayette High School boys cross country team held the state championship trophy in its grasp;

Whereas, The victorious Red Devils scored 133 points, defeating two-time defending state champion Carmel High School by seven points and third place Munster by 10 points;

Whereas, Cooper Williams led West Lafayette with a third place overall finish in 15:12.2 with Evan Johnson, Dom Patacsil, Jake Cohen, and Dylan Williams finishing 26th, 29th, 33rd, and 42nd, respectively, as the team's other scoring runners;

Whereas, This second state championship marks the 50th anniversary of West Lafayette High School's only title;

Whereas, The West Lafayette High School cross country program also celebrated victory when the girls team outperformed its No. 6 ranking and finished third behind Carmel and Avon; and

Whereas, Outstanding accomplishments such as this deserve special recognition: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana, the Senate concurring:

SECTION 1. That the Indiana General Assembly recognizes the outstanding accomplishments of the West Lafayette High School Red Devils and congratulates the team on its state championship victory.

SECTION 2. That the Principal Clerk of the House of Representatives transmit a copy of this resolution to the members of the West Lafayette High School boys cross country team, head coach Steve Lewark, athletic director Brock Touloukian, principal Ronald C. Shriner, and superintendent Rocky Killion.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution. Senate sponsors: Senators Alting and Hershman.

House Concurrent Resolution 23

Representatives Davisson and Arnold introduced House Concurrent Resolution 23:

A CONCURRENT RESOLUTION urging the Indiana Department of Transportation to rename that part of Indiana State Road 56 and U.S. Highway 150 that converge as a single roadway between Paoli and French Lick as the Orange County Veterans Memorial Highway and the bridge spanning Lick Creek at U.S. 150 and East State Road 56 be designated the Orange County Vietnam Veterans Bridge.

Whereas, There are 1,625 veterans residing in Orange County;

Whereas, These Orange County veterans served in World War II, Korea, Vietnam, Grenada, and Desert Storm;

Whereas, The General Assembly recognizes the great sacrifices made by these Orange County veterans in the service of their state and country in time of war;

Whereas, These veterans deserve our respect and admiration for the duties they performed during times of aggression against our country;

Whereas, Many states, including Indiana, have designated and named parts of a state or federal highway as a memorial to those who served our nation in time of war;

Whereas, Since America has relied upon her veterans in times of war to protect our way of life, it seems only just and proper that America honor the veterans of all her wars;

Whereas, Throughout the history of our country dedicated and courageous soldiers have given their lives in support of our freedom;

Whereas, The war in Vietnam was our nation's longest war;

Whereas, The state of Indiana had 187,600 men and women who served in the Vietnam war;

Whereas, 1,534 men and women from Indiana were killed in action during the war in Vietnam;

Whereas, The veterans of the war in Vietnam fought in an unpopular war and have become our country's unknown veterans, often receiving very little respect for the sacrifices they have made for their country;

Whereas, When the veterans returned home, they often did not receive the welcome they deserved;

Whereas, The Vietnam veterans deserve our respect and admiration for the duties they performed during the war in Vietnam; and

Whereas, It is, therefore, fitting that the proper signage be placed along that part of Indiana State Road 56 and U.S. Highway 150 that converge as a single roadway between Paoli and French Lick to recognize the designation of that part of the highway as the Orange County Veterans Memorial Highway and that the bridge spanning Lick Creek at U.S. 150 and East State Road 56 be named the Orange County Vietnam Veterans Bridge: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana, the Senate concurring:

SECTION 1. That the Indiana General Assembly urges the Indiana Department of Transportation to rename that part of Indiana State Road 56 and U.S. Highway 150 that converge as a single roadway between Paoli and French Lick as the Orange County Veterans Memorial Highway and that the bridge spanning Lick Creek at U.S. 150 and East State Road 56 be named the Orange County Vietnam Veterans Bridge.

SECTION 2. That the Principal Clerk of the House of Representatives transmit a copy of this resolution to the commissioner of the Indiana Department of Transportation and the Orange County Veterans Service Office.

The resolution was read a first time and referred to the Committee on Roads and Transportation.

House Concurrent Resolution 24

Representatives Pelath, Dermody and Dvorak introduced House Concurrent Resolution 24:

A CONCURRENT RESOLUTION memorializing Robert "Bear" Falls.

Whereas, The life of Robert "Bear" Falls came to an end on Saturday, January 24, 2015, at the age of 63;

Whereas, Bear leaves behind a host of faithful family members and friends;

Whereas, A standout athlete at Elston High School who went on to play running back for Illinois State, Bear Falls never lost his love for home;

Whereas, As an athlete at Elston High School, Bear was named to the all-state football team, and was the first player in Illinois State history to play both offensive and defensive halfback, breaking school records in pass receiving;

Whereas, After graduation, Bear returned to his hometown where he began his career as a teacher of Physical Education, Health, and Driver's Education at Elston High School, his alma mater, in Michigan City;

Whereas, During his 20 years at Elston, Bear was an assistant coach at the freshman, junior varsity, and varsity levels for both football and basketball;

Whereas, Bear began his coaching career under Elston High School's Dan Steinke, staying all 18 seasons Steinke coached the Red Devils;

Whereas, Bear Falls was named the first head basketball coach for Michigan City High School in 1995, a position he held until 2001;

Whereas, Under his guidance, the Wolves went 81-42 and never had a losing season;

Whereas, Bear led the team to a Duneland Conference championship in 1997-1998 and three second-place finishes;

Whereas, Bear Falls is the winningest coach at Michigan City since the consolidation;

Whereas, Bear Falls retired as Athletic Director for the Michigan City Area Schools in June 2014, a post he held since 2005;

Whereas, In addition to his duties at the Michigan City schools, Bear was active on the community athletic scene, serving on the Indiana High School Athletic Association Board of Directors and Executive Committee (2007-2009), and was a strong supporter of youth sports by coaching and officiating at community leagues and tournaments for both softball and basketball;

Whereas, A fixture within the Michigan City school system for 40 years, Bear Falls impacted students and athletes throughout Northwest Indiana, earning several state honors as an educator, coach, and athletic director; and

Whereas, Robert "Bear" Falls touched so many in the community positively throughout his career as a teacher, coach, and athletic director, stressing academics, character, and discipline while shaping the lives of our youth: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana, the Senate concurring:

SECTION 1. That the Indiana General Assembly wishes to express the great feeling of loss we all experienced with the passing of Robert "Bear" Falls. He was an outstanding athlete, coach, and administrator, but he was an even better father, husband, and friend.

SECTION 2. That the Principal Clerk of the House of Representatives transmit a copy of this resolution to his wife, Tonya, and daughter, Robyn.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution. Senate sponsors: Senators Arnold and Tallian.

The Speaker yielded the gavel to the Speaker Pro Tempore, Representative Friend.

House Concurrent Resolution 25

Representatives Bosma and Pelath introduced House Concurrent Resolution 25:

A CONCURRENT RESOLUTION regarding the 2015 ISTEP.

Whereas, The length of time Hoosier students and educators are scheduled to allocate to administer the 2015 ISTEP has significantly increased from previous years;

Whereas, Upon release of these excessive testing times, students, educators, and state government leaders immediately expressed concern over the length of testing and the resulting disruption of normal school activities;

Whereas, The Indiana General Assembly believes that the 2015 ISTEP should be substantially reduced in length while maintaining Indiana's school accountability and teacher pay systems; and

Whereas, The General Assembly has conferred with and received input from the Superintendent of Public Instruction, the State Board of Education, and the Governor on recommendations for shortening the length of the 2015 ISTEP exam via legislative action, in addition to administrative actions that may be taken by the Superintendent of Public Instruction, the Department of Education, State Board of Education, and the Governor of Indiana, including temporary waiver of portions of Indiana Code 20-32-5-9 and 20-32-5-2 during the administration of the 2015 ISTEP: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana, the Senate concurring:

SECTION 1. That the Indiana General Assembly intends to temporarily suspend by legislative action the portions of the Indiana Code that all parties agree are necessary to shorten the length of the 2015 ISTEP exam and that both Houses intend to accomplish the necessary action as expeditiously as possible under the Rules of each House and the Constitution of the State of Indiana.

SECTION 2. That the Principal Clerk of the House of Representatives is directed to transmit a copy of this resolution to the Governor, the Superintendent of Public Instruction, and the State Board of Education.

The resolution was read a first time. Upon request of Representatives Mahan and Truitt, the Speaker ordered the roll of the House to be called. Roll Call 152: yeas 94, nays 0. The Clerk was directed to inform the Senate of the passage of the resolution. Senate sponsors: Senators Long and Lanane.

Representative Dvorak, who had been excused, is now present.

ENGROSSED HOUSE BILLS ON THIRD READING

Engrossed House Bill 1003

Representative Bosma called down Engrossed House Bill 1003 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning elections.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 153: yeas 95, nays 0. The bill was declared passed.

The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senator Long and Lanane.

The Speaker Pro Tempore yielded the gavel to the Speaker.

Representative Cox is now excused.

Engrossed House Bill 1004

Representative Sullivan called down Engrossed House Bill 1004 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning health.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 154: yeas 94, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Holdman and Pat Miller.

Engrossed House Bill 1005

Representative Smaltz called down Engrossed House Bill 1005 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 155: yeas 94, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Banks, Crider and Kruse.

REPORTS FROM COMMITTEES

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1009, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to HB1009 as printed February 6, 2015.)

Committee Vote: Yeas 17, Nays 3.

BROWN T, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Judiciary, to which was referred House Bill 1043, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 34-18-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 1. Financial responsibility of a health care provider and the provider's officers, agents, and employees while acting in the course and scope of their employment with the health care provider may be established under subdivision (1), (2), or (3):

(1) By the health care provider's insurance carrier filing with the commissioner proof that the health care provider is insured by a policy of malpractice liability insurance in the amount ~~of at least two hundred fifty thousand dollars ($250,000)~~ **equal to the health care provider's maximum liability under section 3(b) of this chapter** per occurrence and seven hundred fifty thousand dollars ($750,000) in the annual aggregate, except for the following:

(A) If the health care provider is a hospital, as defined in this article, the minimum annual aggregate insurance amount is as follows:

(i) For hospitals of not more than one hundred (100) beds, five million dollars ($5,000,000).

(ii) For hospitals of more than one hundred (100) beds, seven million five hundred thousand dollars ($7,500,000).

(B) If the health care provider is a health maintenance organization (as defined in IC 27-13-1-19) or a limited service health maintenance organization (as defined in IC 27-13-34-4), the minimum annual aggregate insurance amount is one million seven hundred fifty thousand dollars ($1,750,000).

(C) If the health care provider is a health facility, the minimum annual aggregate insurance amount is as follows:

(i) For health facilities with not more than one hundred (100) beds, seven hundred fifty thousand dollars ($750,000).

(ii) For health facilities with more than one hundred (100) beds, one million two hundred fifty thousand dollars ($1,250,000).

(2) By filing and maintaining with the commissioner cash or surety bond approved by the commissioner in the amounts set forth in subdivision (1).

(3) If the health care provider is a hospital or a psychiatric hospital, by submitting annually a verified financial statement that, in the discretion of the commissioner, adequately demonstrates that the current and future financial responsibility of the health care provider is sufficient to satisfy all potential malpractice claims incurred by the provider or the provider's officers, agents, and employees while acting in the course and scope of their employment up to a total of ~~two hundred fifty thousand dollars ($250,000)~~ **the amount set forth in section 3(b) of this chapter** per occurrence and annual aggregates as follows:

(A) For hospitals of not more than one hundred (100) beds, five million dollars ($5,000,000).

(B) For hospitals of more than one hundred (100) beds, seven million five hundred thousand dollars ($7,500,000).

The commissioner may require the deposit of security to assure continued financial responsibility.

SECTION 2. IC 34-18-6-4, AS AMENDED BY P.L.18-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 4. (a) Claims for payment from the patient's compensation fund must be computed and paid ~~as follows:~~ **not later than sixty (60) days after the issuance of a court approved settlement or final, nonappealable judgment.**

~~(1) Claims for payment from the patient's compensation fund that become final during the first three (3) months of the calendar year must be:~~

~~(A) computed on March 31; and~~

~~(B) paid not later than April 15;~~

~~of that calendar year.~~

~~(2) Claims for payment from the patient's compensation fund that become final during the second three (3) months of the calendar year must be:~~

~~(A) computed on June 30; and~~

~~(B) paid not later than July 15;~~

~~of that calendar year.~~

~~(3) Claims for payment from the patient's compensation fund that become final during the third three (3) months of~~

~~the calendar year must be:~~

~~(A) computed on September 30; and~~

~~(B) paid not later than October 15;~~

~~of that calendar year.~~

~~(4) Claims for payment from the patient's compensation fund that become final during the last three (3) months of the calendar year must be:~~

~~(A) computed on December 31 of that calendar year; and~~

~~(B) paid not later than January 15 of the following calendar year.~~

(b) If the balance in the fund is insufficient to pay in full all claims that have become final during a three (3) month period, the amount paid to each claimant must be prorated. Any amount left unpaid as a result of the proration must be paid before the payment of claims that become final during the following three (3) month period.

SECTION 3. IC 34-18-6-5, AS AMENDED BY P.L.18-2014, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 5. The auditor of state shall issue a warrant in the amount of each claim submitted to the auditor against the fund ~~on March 31, June 30, September 30, and December 31 of each year.~~ **not later than sixty (60) days after the issuance of a court approved judgment or final, nonappealable judgment.** The only claim against the fund shall be a voucher or other appropriate request by the commissioner after the commissioner receives:

(1) a certified copy of a final judgment against a health care provider; or

(2) a certified copy of a court approved settlement against a health care provider.

SECTION 4. IC 34-18-10-25 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 25. (a) Each health care provider member of the medical review panel is entitled to be paid:

(1) up to ~~three hundred fifty dollars ($350)~~ **five hundred dollars ($500)** for all work performed as a member of the panel, exclusive of time involved if called as a witness to testify in court; and

(2) reasonable travel expense.

(b) The chairman of the panel is entitled to be paid:

(1) at the rate of two hundred fifty dollars ($250) per diem, not to exceed two thousand **five hundred** dollars ~~($2,000);~~ **($2,500);** and

(2) reasonable travel expenses.

(c) The chairman shall keep an accurate record of the time and expenses of all the members of the panel. The record shall be submitted to the parties for payment with the panel's report.

(d) Fees of the panel, including travel expenses and other expenses of the review, shall be paid by the side in whose favor the majority opinion is written. If there is no majority opinion, each side shall pay fifty percent (50%) of the cost.

SECTION 5. IC 34-18-14-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 1. As used in this chapter, "cost of the periodic payments agreement" means the amount expended by ~~the health care provider (or its insurer),~~ the commissioner, ~~or the commissioner and the health care provider (or its insurer),~~ at the time the periodic payments agreement is made, to obtain the commitment from a third party to make available money for use as future payment, the total of which may exceed the limits provided in section 3 of this chapter.

SECTION 6. IC 34-18-14-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 2. As used in this chapter, "periodic payments agreement" means a contract between ~~a health care provider (or its insurer)~~ **the commissioner** and the patient (or the patient's estate) under which the ~~health care provider is relieved from~~ possible liability ~~in consideration of~~ **of the fund to the patient (or the patient's estate) is discharged through:**

(1) a present payment of money to the patient (or the patient's estate); and

(2) one (1) or more payments to the patient (or the patient's estate) in the future;

whether or not some or all of the payments are contingent upon the patient's survival to the proposed date of payment.".

Page 2, line 3, strike "for an amount in excess of".

Page 2, line 3, delete "three".

Page 2, line 4, strike "hundred".

Page 2, line 4, strike "thousand dollars".

Page 2, line 4, delete "($300,000)".

Page 2, line 5, delete "." and insert "**in an amount in excess of the following:**

(1) Three hundred thousand dollars ($300,000), except as provided in subdivision (2).

(2) Four hundred thousand dollars ($400,000), if the action against the health care provider results in a final judgment in favor of the plaintiff.".

Page 2, line 17, delete "three".

Page 2, line 17, strike "hundred".

Page 2, line 18, strike "thousand dollars".

Page 2, line 18, delete "($300,000)." and insert "**the amount set forth in subsection (b).**".

Page 2, after line 21, begin a new paragraph and insert:

"SECTION 7. IC 34-18-14-4 IS REPEALED [EFFECTIVE JULY 1, 2016]. ~~Sec. 4. (a) If the possible liability of the health care provider to the patient is discharged solely through an immediate payment, the limitations on recovery from a health care provider stated in section 3(b) and 3(d) of this chapter apply without adjustment.~~

~~(b) If the health care provider agrees to discharge its possible liability to the patient through a periodic payments agreement, the amount of the patient's recovery from a health care provider in a case under this subsection is the amount of any immediate payment made by the health care provider or the health care provider's insurer to the patient, plus the cost of the periodic payments agreement to the health care provider or the health care provider's insurer. For the purpose of determining the limitations on recovery stated in section 3(b) and 3(d) of this chapter and for the purpose of determining the question under IC 34-18-15-3 of whether the health care provider or the health care provider's insurer has agreed to settle its liability by payment of its policy limits, the sum of:~~

~~(1) the present payment of money to the patient (or the patient's estate) by the health care provider (or the health care provider's insurer); plus~~

~~(2) the cost of the periodic payments agreement expended by the health care provider (or the health care provider's insurer);~~

~~must exceed one hundred eighty-seven thousand dollars ($187,000).~~

~~(c) More than one (1) health care provider may contribute to the cost of a periodic payments agreement, and in such an instance the sum of the amounts expended by each health care provider for immediate payments and for the cost of the periodic payments agreement shall be used to determine whether the one hundred eighty-seven thousand dollar ($187,000) requirement in subsection (b) has been satisfied. However, one (1) health care provider or its insurer must be liable for at least fifty thousand dollars ($50,000).~~

SECTION 8. IC 34-18-15-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 3. If a health care provider or its insurer has agreed to settle its liability on a claim by payment of ~~its policy limits of two hundred fifty thousand dollars ($250,000),~~ **the amount set forth in IC 34-18-14-3(b)(1)** and the claimant is demanding an amount in excess of that amount, the following procedure must be followed:

(1) A petition shall be filed by the claimant in the court named in the proposed complaint, or in the circuit or

superior court of Marion County, at the claimant's election, seeking:

(A) approval of an agreed settlement, if any; or

(B) demanding payment of damages from the patient's compensation fund.

(2) A copy of the petition with summons shall be served on the commissioner, the health care provider, and the health care provider's insurer, and must contain sufficient information to inform the other parties about the nature of the claim and the additional amount demanded.

(3) The commissioner and either the health care provider or the insurer of the health care provider may agree to a settlement with the claimant from the patient's compensation fund, or the commissioner, the health care provider, or the insurer of the health care provider may file written objections to the payment of the amount demanded. The agreement or objections to the payment demanded shall be filed within twenty (20) days after service of summons with copy of the petition attached to the summons.

(4) The judge of the court in which the petition is filed shall set the petition for approval or, if objections have been filed, for hearing, as soon as practicable. The court shall give notice of the hearing to the claimant, the health care provider, the insurer of the health care provider, and the commissioner.

(5) At the hearing, the commissioner, the claimant, the health care provider, and the insurer of the health care provider may introduce relevant evidence to enable the court to determine whether or not the petition should be approved if the evidence is submitted on agreement without objections. If the commissioner, the health care provider, the insurer of the health care provider, and the claimant cannot agree on the amount, if any, to be paid out of the patient's compensation fund, the court shall, after hearing any relevant evidence on the issue of claimant's damage submitted by any of the parties described in this section, determine the amount of claimant's damages, if any, in excess of ~~the two hundred fifty thousand dollars ($250,000)~~ **the amount set forth in IC 34-18-14-3(b)(1)** already paid by the insurer of the health care provider. The court shall determine the amount for which the fund is liable and make a finding and judgment accordingly. In approving a settlement or determining the amount, if any, to be paid from the patient's compensation fund, the court shall consider the liability of the health care provider as admitted and established.

(6) A settlement approved by the court may not be appealed. A judgment of the court fixing damages recoverable in a contested proceeding is appealable pursuant to the rules governing appeals in any other civil case tried by the court.

(7) A release executed between the parties does not bar access to the patient's compensation fund unless the release specifically provides otherwise.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1043 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 2.

STEUERWALD, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred House Bill 1072, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning education.

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 20-19-3-4, AS ADDED BY P.L.242-2005, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 4. (a) The department shall:

(1) perform the duties required by statute;

(2) implement the policies and procedures established by the state board;

(3) conduct analytical research to assist the state board in determining the state's educational policy;

(4) compile statistics concerning the ethnicity, gender, and disability status of students in Indiana schools, including statistics for all information that the department receives from school corporations on enrollment, number of suspensions, and number of expulsions; and

(5) provide technical assistance to school corporations.

(b) In compiling statistics by gender, ethnicity, and disability status under subsection (a)(4), the department shall also categorize suspensions and expulsions by cause as follows:

(1) Alcohol.

(2) Drugs.

(3) Deadly weapons (other than firearms).

(4) Handguns.

(5) Rifles or shotguns.

(6) Other firearms.

(7) Tobacco.

(8) Attendance.

(9) Destruction of property.

(10) Legal settlement (under IC 20-33-8-17).

(11) Fighting (incident does not rise to the level of battery).

(12) Battery (IC 35-42-2-1).

(13) Intimidation (IC 35-45-2-1).

(14) Verbal aggression or profanity.

(15) Defiance.

(16) Other.

(c) The department shall provide any data to the state board that the state board determines is necessary to perform the state board's duties under law.

~~(c)~~ **(d)** The department shall develop guidelines necessary to implement this section.

SECTION 2. IC 20-19-4-10, AS AMENDED BY P.L.286-2013, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 10. The roundtable shall review and recommend to the state board for the state board's approval the following:

(1) The academic standards under IC 20-31-3, IC 20-32-4, and IC 20-32-5 for all grade levels from kindergarten through grade 12.

(2) The content and format of the ISTEP program, including the following:

(A) The graduation examination.

(B) The passing scores required at the various grade levels tested under the ISTEP program.

(3) The passing scores required at the various grade levels tested under the ISTEP program must:

(A) be determined by statistically valid and reliable methods as determined by independent experts selected by the state board; and

(B) meet rigorous college and career readiness criteria recommended by the department of workforce development, the commission for higher education, and the department, as approved by the state board.

SECTION 3. IC 20-28-11.5-4, AS ADDED BY P.L.90-2011, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 4. (a) Each school corporation shall develop a plan for annual performance evaluations for each certificated employee (as defined in

IC 20-29-2-4). A school corporation shall implement the plan beginning with the 2012-2013 school year.

(b) Instead of developing its own staff performance evaluation plan under subsection (a), a school corporation may adopt a staff performance evaluation plan that meets the requirements set forth in this chapter or any of the following models:

(1) A plan using master teachers or contracting with an outside vendor to provide master teachers.

(2) The model staff performance evaluation system approved by the state board under section 8 of this chapter.

~~(2)~~ **(3)** The System for Teacher and Student Advancement (TAP).

~~(3)~~ **(4)** The Peer Assistance and Review Teacher Evaluation System (PAR).

(c) A plan must include the following components:

(1) Performance evaluations for all certificated employees, conducted at least annually.

(2) Objective measures of student achievement and growth to significantly inform the evaluation **in a manner prescribed by the state board by rules established under IC 4-22-2 that sets a minimum and maximum threshold for the use of objective measures of student achievement and growth in all staff performance evaluation plans.** The objective measures must include:

(A) student assessment results from statewide assessments for certificated employees whose responsibilities include instruction in subjects measured in statewide assessments;

(B) methods for assessing student growth for certificated employees who do not teach in areas measured by statewide assessments; and

(C) student assessment results from locally developed assessments and other test measures for certificated employees whose responsibilities may or may not include instruction in subjects and areas measured by statewide assessments.

(3) Rigorous measures of effectiveness, including observations and other performance indicators.

(4) An annual designation of each certificated employee in one (1) of the following rating categories:

(A) Highly effective.

(B) Effective.

(C) Improvement necessary.

(D) Ineffective.

(5) An explanation of the evaluator's recommendations for improvement, and the time in which improvement is expected.

(6) A provision that a teacher who negatively affects student achievement and growth cannot receive a rating of highly effective or effective.

(d) The evaluator shall discuss the evaluation with the certificated employee.

SECTION 4. IC 20-28-11.5-8, AS AMENDED BY P.L.160-2012, SECTION 50, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 8. (a) To implement this chapter, the state board shall do the following:

(1) ~~Before January 31, 2012,~~ Adopt rules under IC 4-22-2 that establish:

(A) the criteria that define each of the four categories of teacher ratings under section 4(c)(4) of this chapter;

(B) the measures to be used to determine student academic achievement and growth under section 4(c)(2) of this chapter;

(C) standards that define actions that constitute a negative impact on student achievement; and

(D) an acceptable standard for training evaluators.

(2) Before January 31, 2012, work with the department to develop a model plan and release it to school corporations. Subsequent versions of the model plan that contain substantive changes must be **approved in advance by the state board and** provided **by the department** to school corporations.

(3) Work with the department to ensure the availability of ongoing training on the use of the performance evaluation to ensure that all evaluators and certificated employees have access to information on the plan, the plan's implementation, and this chapter.

(4) Work with the department to ensure that all locally developed staff performance evaluation plans are monitored at least annually to ensure compliance with the criteria established under this chapter. Onsite monitoring must occur at least once every four (4) years.

(b) A school corporation may adopt the department's model plan or any other model plan approved by the department **and state board.** ~~without the state board's approval.~~

(c) A school corporation may substantially modify the model plan or develop the school corporation's own plan, if the substantially modified or developed plan meets the criteria established under this chapter. If a school corporation substantially modifies the model plan or develops its own plan, the department ~~may~~ **shall** request that the school corporation submit the plan to the department to ensure the plan meets the criteria developed under this chapter. ~~If the department makes such a request,~~ Before submitting a substantially modified or new staff performance evaluation plan to the department, the governing body shall submit the staff performance evaluation plan to the teachers employed by the school corporation for a vote. If at least seventy-five percent (75%) of the voting teachers vote in favor of adopting the staff performance evaluation plan, the governing body may submit the staff performance evaluation plan to the department.

(d) Each school corporation shall submit its staff performance evaluation plan to the department. The department shall publish the staff performance evaluation plans on the department's Internet web site. A school corporation must submit its staff performance evaluation plan to the department for approval in order to qualify for any grant funding related to this chapter.

SECTION 5. IC 20-31-8-3, AS AMENDED BY P.L.286-2013, SECTION 103, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 3. The state board shall establish a number of categories, using an "A" through "F" grading scale, to designate performance based on ~~the individual~~ student academic performance and growth to proficiency in each school.

SECTION 6. IC 20-31-8-4, AS AMENDED BY P.L.286-2013, SECTION 104, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 4. **(a)** The state board shall place each school in a category or designation of school performance **once annually** based on the department's findings from the assessment of performance and academic growth under section 2 of this chapter.

(b) The state board may place a school in a category or designation of school performance only if:

(1) the department has provided each school the opportunity to review, add to, or supplement the data, and to correct any errors in the data; and

(2) the state board's authorized representatives have had an opportunity to review and analyze the school and corporation level data.

(c) The state board may obtain assistance from another entity or, with the approval of the legislative council, the legislative services agency, to ensure the validity and reliability of the performance category or designation placements calculated by the department under section 2 of this chapter. The department shall provide all the data necessary to complete those calculations to the legislative services agency, or to an entity designated by the state

board.

SECTION 7. IC 20-31-8-5.4, AS ADDED BY P.L.2-2014, SECTION 88, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5.4. (a) ~~Not later than November 15, 2013, the state board shall establish new categories or designations of school performance under the requirements of this chapter to replace 511 IAC 6.2-6.~~ The ~~new~~ standards of assessing school performance

~~(1)~~ must be based on a **statistically valid and reliable** measurement of ~~individual~~ student academic performance and growth to proficiency. ~~and~~

~~(2) may not be based on a measurement of student performance or growth compared with peers.~~

511 IAC 6.2-6 is void on the effective date of the emergency or final rules adopted under this section.

(b) After July 1, 2013, the state board:

(1) shall adopt rules under IC 4-22-2; and

(2) may adopt emergency rules in the manner provided in IC 4-22-2-37.1;

to implement this chapter.

(c) An emergency rule adopted under subsection (b) expires on the earlier of:

(1) ~~November 15, 2014,~~ **December 15, 2017;** or

(2) the effective date of a rule that establishes categories or designations of school improvement described in this section and supersedes the emergency rule.

(d) Before beginning the rulemaking process to establish new categories or designations of school improvement, the state board shall report to the general assembly the proposed new categories or designations in an electronic format under IC 5-14-6.

SECTION 8. IC 20-32-5-4, AS ADDED BY P.L.1-2005, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 4. (a) The state board shall:

(1) authorize the development and implementation of the ISTEP program, **including:**

(A) establishment of criteria for requests for proposals;

(B) establishment of criteria for membership of evaluation teams; and

(C) establishment of criteria for content and format of the ISTEP program, including the graduation examination;

(2) authorize the development and establishment of passing scores; and

~~(2)~~ **(3)** determine the date on which the statewide testing is administered in each school corporation.

(b) The state superintendent is responsible for the overall development, implementation, and monitoring of the ISTEP program.

(c) The department shall prepare detailed design specifications for the ISTEP program that must do the following:

(1) Take into account the academic standards adopted under IC 20-31-3.

(2) Include testing of students' higher level cognitive thinking in each subject area tested.

(Reference is to HB 1072 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 4.

BEHNING, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Judiciary, to which was referred House Bill 1145, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 3, after "12." insert "**(a)**".

Page 1, between lines 10 and 11, begin a new paragraph and insert:

"**(b) An approval of a location under subsection (a)(1) is valid for up to two (2) years.**".

Page 2, line 2, delete ", including" and insert "**and**".

Page 2, line 3, delete "following:" and insert "**following noninvasive procedures:**".

Page 2, line 9, delete "or" and insert "**,**".

Page 2, line 10, delete "drug." and insert "**drug, or by prescribing a controlled substance or scheduled drug under IC 35-48.**".

Page 3, line 29, after "(4)" insert "**Obtains the signature of:**

(A) the individual receiving the health care service; or

(B) the person who is legally responsible for the care of the individual receiving the health care service;

on a waiver that states the person providing health care services is immune from civil liability in relation to the provision of the health care services.

(5)".

Page 3, line 31, after "(b)" insert "**The immunity provided under this chapter applies to:**

(1) dental services provided in a dental office; and

(2) health care services that are provided in a setting other than:

(A) a physician's office;

(B) an entity licensed or certified by the state department of health;

(C) a health care facility, including a facility that receives federal funding; or

(D) any other permanent facility in which the primary purpose is to provide health care services.

(c)".

Page 3, between lines 38 and 39, begin a new paragraph and insert:

"SECTION 4. IC 34-30-13-1.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 1.3. Except as provided in section 2 of this chapter, a person who meets the criteria listed for immunity from civil liability in section 1.2 of this chapter must:**

(1) provide a record of all laboratory and imaging based screenings and tests performed as part of a health care service to:

(A) an individual receiving health care service; or

(B) a person who is legally responsible for the care of the individual receiving the health care service;

upon completion of the health care service; and

(2) provide the results of all laboratory and imaging based screenings and tests performed as part of a health care service to:

(A) an individual receiving health care service; or

(B) a person who is legally responsible for the care of the individual receiving the health care service;

upon the request of the individual receiving the health care service or the person who is legally responsible for the individual receiving the health care service.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1145 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 10, nays 0.

STEUERWALD, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Judiciary, to which was referred House Bill 1161, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 4, line 3, after "child;" insert "**and**".
Page 4 line 5, delete "; and" and insert "**.**".
Page 4, delete lines 6 through 12.
Renumber all SECTIONS consecutively.
(Reference is to HB 1161 as introduced.)
and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 0.

STEUERWALD, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred House Bill 1194, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 1 through 15.
Page 2, delete lines 1 through 37.
Page 3, line 6, delete "school corporation;" and insert "**state of Indiana;**".
Page 3, line 8, delete "an".
Page 3, line 8, delete "curriculum" and insert "**course requirements**".
Page 3, line 20, delete "semester" and insert "**reporting period**".
Page 3, after line 27, begin a new paragraph and insert:
"SECTION 2. [EFFECTIVE UPON PASSAGE] **(a) The definitions used in IC 20 apply throughout this SECTION.**
(b) As used in this SECTION, "committee" refers to the education interim study committee established by IC 2-5-1.3-4.
(c) Not later than October 1, 2015, the Core 40 subcommittee, which is a subcommittee of the Indiana career council established by IC 22-4.5-9-3, shall present to the committee recommended changes to course requirements for general, Core 40, academic honors, and technical honors diplomas to ensure that each student who seeks a diploma has enough flexibility in the student's schedule to pursue a college or career pathway appropriate for the student's individual goals, knowledge, skills, and abilities. The recommended changes shall take into account different learning styles and abilities and shall provide alternate pathways for a student to earn a diploma when a difference in learning style or ability prevents a student from satisfying requirements in one (1) or more academic areas. Such alternate pathways shall allow a student to offset requirements by demonstrating additional proficiency in other areas or by completing work force training.
(d) The committee shall propose necessary legislation to carry out the recommendations of the Core 40 subcommittee of the Indiana career council under subsection (c).
(e) This SECTION expires January 1, 2017.
SECTION 3. **An emergency is declared for this act.**".
Renumber all SECTIONS consecutively.
(Reference is to HB 1194 as introduced.)
and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 0.

BEHNING, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Veterans Affairs and Public Safety, to which was referred House Bill 1197, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 9, line 7, delete "or".
Page 9, line 8, delete "." and insert "**;**".
Page 9, delete line 9.
Page 9, line 10, delete "(1)" and insert "**(4)**".
Page 9, line 10, after ";" insert "**or**".
Page 9, line 11, delete "(2)" and insert "**(5)**".
Page 9, line 11, delete "; or" and insert "**.**".
Page 9, delete line 12.
Page 9, line 13, delete "3." and insert "**2.**".
Page 9, line 18, delete "4." and insert "**3.**".
Page 9, line 19, delete "a public safety officer or".
Page 9, line 21, delete "5." and insert "**4.**".
Page 9, line 23, delete "6." and insert "**5.**".
Page 9, line 25, delete "7." and insert "**6.**".
Page 10, line 5, delete "8." and insert "**7.**".
Page 10, line 16, delete "9." and insert "**8.**".
Page 10, line 18, delete "10." and insert "**9.**".
Page 10, line 18, after "responder" insert "**under section 1(1), 1(2), or 1(3) of this chapter**".
Page 10, line 38, delete "11." and insert "**10.**".
Page 10, line 40, delete "7" and insert "**6**".
Page 11, line 1, delete "and volunteer firefighters".
Page 11, line 4, delete "public safety officer" and insert "**first responder under section 1(4) or 1(5) of this chapter**".
Page 11, line 5, delete "2017," and insert "**2018,**".
Page 11, line 6, delete "2019." and insert "**2020.**".
Page 11, line 7, delete "12." and insert "**11.**".
Page 11, line 9, delete "7" and insert "**6**".
Page 11, line 12, delete "7" and insert "**6**".
Page 11, line 13, delete "13." and insert "**12.**".
Page 11, line 20, delete "8" and insert "**7**".
Page 11, line 23, delete "14." and insert "**13.**".
Page 11, delete lines 33 through 39.
Page 11, line 40, delete "16." and insert "**14.**".
Page 12, line 7, delete "17." and insert "**15.**".
Page 13, line 9, delete "full-time and" and insert "**full-time**".
Page 13, line 10, delete "volunteer".
Renumber all SECTIONS consecutively.
(Reference is to HB 1197 as introduced.)
and when so amended that said bill do pass.

Committee Vote: yeas 8, nays 0.

FRYE R, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1273, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 6-9-13-1, AS AMENDED BY P.L.214-2005, SECTION 32, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) Except as provided in ~~subsection~~ **subsections** (b) **and (c),** the city-county council of a county that contains a consolidated first class city may adopt an ordinance to impose an excise tax, known as the county admissions tax, for the privilege of attending, before January 1, 2041, any event and, after December 31, 2040, any professional sporting event:

(1) held in a facility financed in whole or in part by:
(A) bonds or notes issued under IC 18-4-17 (before its repeal on September 1, 1981), IC 36-10-9, or IC 36-10-9.1; or
(B) a lease or other agreement under IC 5-1-17; and
(2) to which tickets are offered for sale to the public by:
(A) the box office of the facility; or
(B) an authorized agent of the facility.

(b) Except as provided in subsections (a) and (c), the city-county council of a county that contains a consolidated first class city may adopt an ordinance to impose an excise

tax, known as the county admissions tax, for the privilege of attending any event:

(1) held in a facility:

(A) that is:

(i) located in an additional professional sports development area established under IC 36-7-31.5; and

(ii) financed in whole or in part by bonds or notes issued under IC 36-7-31.5; or

(B) through December 31, 2019, that hosts professional soccer events, but is not located in a professional sports development area established under IC 36-7-31; and

(2) to which tickets are offered for sale to the public by:

(A) the box office of the facility; or

(B) an authorized agent of the facility.

~~(b)~~ **(c)** The excise tax imposed under ~~subsection~~ **subsections** (a) **and (b)** does not apply to the following:

(1) An event sponsored by an educational institution or an association representing an educational institution.

(2) An event sponsored by a religious organization.

(3) An event sponsored by an organization that is considered a charitable organization by the Internal Revenue Service for federal tax purposes.

(4) An event sponsored by a political organization.

~~(c)~~ **(d)** If a city-county council adopts an ordinance under subsection (a) **or (b),** it shall immediately send a certified copy of the ordinance to the commissioner of the department of state revenue.

~~(d)~~ **(e)** If a city-county council adopts an ordinance under subsection (a) **or (b)** or section 2 of this chapter prior to June 1, the county admissions tax applies to admission charges collected after June 30 of the year in which the ordinance is adopted. If the city-county council adopts an ordinance under subsection (a) **or (b)** or section 2 of this chapter on or after June 1, the county admissions tax applies to admission charges collected after the last day of the month in which the ordinance is adopted.

SECTION 2. IC 6-9-13-2, AS AMENDED BY P.L.205-2013, SECTION 132, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) Except as provided in ~~subsection~~ **subsections** (b) **and (c),** the county admissions tax **imposed under section 1(a) of this chapter** equals five percent (5%) of the price for admission to any event described in section ~~1~~ **1(a)** of this chapter.

(b) On or before June 30, 2005, the city-county council may, by ordinance adopted by a majority of the members elected to the city-county council, increase the county admissions tax **imposed under section 1(a) of this chapter** from five percent (5%) to six percent (6%) of the price for admission to any event described in section ~~1~~ **1(a)** of this chapter.

(c) After January 1, 2013, and before March 1, 2013, the city-county council may, by ordinance adopted by a majority of the members elected to the city-county council, increase the county admissions tax rate **imposed under section 1(a) of this chapter** by not more than four percent (4%) of the price for admission to any event described in section ~~1~~ **1(a)** of this chapter. If the city-county council adopts an ordinance under this subsection:

(1) the city-county council shall immediately send a certified copy of the ordinance to the commissioner of the department of state revenue; and

(2) the tax applies to transactions after the last day of the month in which the ordinance is adopted, if the city-county council adopts the ordinance on or before the fifteenth day of a month. If the city-county council adopts the ordinance after the fifteenth day of a month, the tax applies to transactions after the last day of the month following the month in which the ordinance is adopted.

The increase in the tax imposed under this subsection continues in effect unless the increase is rescinded. However, any increase in the tax rate under this subsection may not continue in effect after February 28, 2023.

(d) The amount collected from that portion of the county admissions tax imposed under:

(1) subsection (a) and collected after December 31, 2027; and

(2) subsection (b);

shall be distributed to the capital improvement board of managers or its designee. So long as there are any current or future obligations owed by the capital improvement board of managers to the Indiana stadium and convention building authority created by IC 5-1-17 or any state agency pursuant to a lease or other agreement entered into between the capital improvement board of managers and the Indiana stadium and convention building authority or any state agency under IC 5-1-17-26, the capital improvement board of managers or its designee shall deposit the revenues received from that portion of the county admissions tax imposed under subsection (b) in a special fund, which may be used only for the payment of the obligations described in this subsection.

(e) The amount collected from an increase adopted under subsection (c) shall be deposited in the sports and convention facilities operating fund established by IC 36-7-31-16.

SECTION 3. IC 6-9-13-2.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 2.1. (a) On or before June 30, 2016, the city-county council may, by ordinance adopted by a majority of the members elected to the city-county council, impose the county admissions tax under section 1(b) of this chapter at a rate equal to ten percent (10%) of the price for admission to any event described in section 1(b) of this chapter. If the city-county council adopts an ordinance under this subsection:**

(1) the city-county council shall immediately send a certified copy of the ordinance to the commissioner of the department of state revenue; and

(2) the tax applies to transactions after the last day of the month in which the ordinance is adopted, if the city-county council adopts the ordinance on or before the fifteenth day of a month. If the city-county council adopts the ordinance after the fifteenth day of a month, the tax applies to transactions after the last day of the month following the month in which the ordinance is adopted.

(b) The amount collected from the county admissions tax imposed under subsection (a) shall be distributed to the capital improvement board of managers or its designee. So long as there are any current or future obligations owed by the capital improvement board of managers to the county convention and recreational facilities authority created by IC 36-10-9.1 in connection with bonds or notes issued under IC 36-7-31.5, the capital improvement board of managers or its designee shall deposit the revenues received from that part of the county admissions tax imposed under subsection (a) in a special fund, which may be used only for the payment of the obligations described in this subsection or any costs related to the facilities financed by the bonds or notes.

SECTION 4. IC 6-9-13-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) Each person who pays a price for admission to any event described in section 1(a) **or 1(b)** of this chapter is liable for the tax imposed under this chapter.

(b) The person who collects the price for admission shall also collect the county admissions tax imposed with respect to the price for admission. The person shall collect the tax at the same time the price for admission is paid, regardless of whether the price paid is for a single admission, for season tickets, or for any

other admission arrangement. In addition, the person shall collect the tax as an agent of the state and the county in which the facility described in section 1 of this chapter is located.

SECTION 5. IC 36-7-31.5 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 31.5. Additional Professional Sports Development Area in a County Containing a Consolidated City

Sec. 1. This chapter applies only to a county having a consolidated city. The authority for the creation of a professional sports development area under this chapter is in addition to the authority for the creation of a professional sports development area under IC 36-7-31.

Sec. 2. As used in this chapter, "bonds" means bonds, notes, or other evidence of indebtedness.

Sec. 3. As used in this chapter, "budget agency" refers to the budget agency created by IC 4-12-1.

Sec. 4. As used in this chapter, "budget committee" has the meaning set forth in IC 4-12-1-3.

Sec. 5. As used in this chapter, "capital improvement" means any facility or complex of facilities established as part of an additional professional sports development area under section 17 of this chapter.

Sec. 6. As used in this chapter, "capital improvement board" refers to the capital improvement board of managers created by IC 36-10-9-3.

Sec. 7. As used in this chapter, "commission" refers to the metropolitan development commission acting as the redevelopment commission of a consolidated city.

Sec. 8. As used in this chapter, "covered taxes" means the following:

(1) The state gross retail tax imposed under IC 6-2.5-2-1 or use tax imposed under IC 6-2.5-3-2.

(2) An adjusted gross income tax imposed under IC 6-3-2-1 on an individual.

(3) A county option income tax imposed under IC 6-3.5-6.

Sec. 9. As used in this chapter, "department" refers to the department of state revenue.

Sec. 10. As used in this chapter, "facility" means all or any part of one (1) or more buildings, structures, or improvements constituting a capital improvement. As used in this chapter, the term refers to and includes a capital improvement.

Sec. 11. As used in this chapter, "facilities authority" refers to the county convention and recreational facilities authority created by IC 36-10-9.1.

Sec. 12. As used in this chapter, "hotel" means a hotel existing on June 1, 2014, in Indianapolis, Indiana, in a geographic area to be specified by state statute.

Sec. 13. As used in this chapter, "tax area" means a geographic area established by the commission as an additional professional sports development area under section 20 of this chapter.

Sec. 14. As used in this chapter, "taxpayer" means a person that is liable for a covered tax.

Sec. 15. (a) The general assembly finds the following:

(1) Marion County and municipalities located in Marion County face unique and distinct challenges and opportunities related to economic development issues associated with the construction of facilities that would host professional soccer and other sporting and entertainment events in the city of Indianapolis.

(2) A unique approach is required to ensure that the facilities can be maintained to allow Marion County and those municipalities to meet these challenges and opportunities.

(3) The powers and responsibilities provided to Marion County, the facilities authority, and the capital improvement board created by this chapter are appropriate and necessary to carry out the public purposes of encouraging and fostering economic development in central Indiana and constructing facilities that would host professional soccer and other sporting and entertainment events in the city of Indianapolis.

(4) Encouragement of economic development in central Indiana will:

(A) generate significant economic activity, which may attract new businesses and encourage existing businesses to remain or expand in central Indiana;

(B) promote central Indiana to residents outside Indiana, which may attract residents outside Indiana and new businesses to relocate to central Indiana;

(C) protect and increase state and local tax revenues; and

(D) encourage overall economic growth in central Indiana and in Indiana.

(b) Marion County faces unique challenges in the development of infrastructure and other facilities necessary to promote economic development as a result of its need to rely on sources of revenue other than property taxes, due to the large number of tax exempt properties located in Marion County, because Indianapolis is the seat of state government and Marion County government, and because Marion County is home to multiple institutions of higher education and the site of numerous state and regional nonprofit corporations.

(c) Economic development benefits the health and welfare of the people of Indiana, is a public use and purpose for which public money may be spent, and is of public utility and benefit.

Sec. 16. A commission may establish as part of an additional professional sports development area any facility or complex of facilities:

(1) that is used in the training of a team engaged in professional sporting events and, which, in addition, may include a facility used to hold other entertainment events or a hotel; or

(2) that is:

(A) financed in whole or in part by notes or bonds issued by the facilities authority under this chapter; and

(B) used to hold a professional sporting event, and which, in addition thereto, may include a facility used to hold other entertainment events or a hotel.

The tax area may include a facility described in this section and any parcel of land on which the facility is located. An area may contain noncontiguous tracts of land within the county.

Sec. 17. (a) A tax area must be initially established before July 1, 2017, according to the procedures set forth for the establishment of an economic development area under IC 36-7-15.1. A tax area may be changed or the terms governing the tax area revised in the same manner as the establishment of the initial tax area.

(b) In establishing or changing the terms of the tax area or revising the terms governing the tax area, the commission must make the following findings instead of the findings required for the establishment of economic development areas:

(1) That a project to be undertaken or that has been undertaken in the tax area is for a facility.

(2) That the project to be undertaken or that has been undertaken in the tax area will benefit the public health and welfare and will be of public utility and benefit.

(3) That the project to be undertaken or that has been undertaken in the tax area will protect or increase state and local tax bases and tax revenues.

(c) The tax area established by the commission under this chapter is a special taxing district authorized by the general assembly to enable the county to provide special benefits to taxpayers in the tax area by promoting economic development that is of public use and benefit.

Sec. 18. (a) Upon adoption of a resolution establishing a tax area under section 20 of this chapter, the commission shall submit the resolution to the budget committee for review and recommendation to the budget agency. The budget committee shall meet not later than sixty (60) days after receipt of a resolution and shall make a recommendation on the resolution to the budget agency.

(b) Upon adoption of a resolution changing the boundaries of a tax area under section 20 of this chapter, the commission shall:

(1) publish notice of the adoption and substance of the resolution in accordance with IC 5-3-1; and

(2) file the following information with each taxing unit in the county in which the district is located:

(A) A copy of the notice required by subdivision (1).

(B) A statement disclosing the impact of the special taxing district, including the following:

(i) The estimated economic benefits and costs incurred by the district, as measured by increased employment and anticipated growth of property assessed values.

(ii) The anticipated impact on tax revenues of each taxing unit.

The notice must state the general boundaries of the special taxing district.

(c) Upon completion of the actions required by subsection (b), the commission shall submit the resolution to the budget committee for review and recommendation to the budget agency. The budget committee shall meet not later than sixty (60) days after receipt of the resolution and shall make a recommendation on the resolution to the budget agency.

Sec. 19. (a) The budget agency must approve the resolution before the covered taxes may be allocated under section 20 of this chapter.

(b) When considering a resolution, the budget committee and the budget agency must make the following findings:

(1) The cost of the facility and facility site specified under the resolution exceeds one hundred thousand dollars ($100,000).

(2) The project specified in the resolution is economically sound and will benefit the people of Indiana by protecting or increasing state and local tax bases and tax revenues for at least the duration of the tax area established under this chapter.

(3) The political subdivisions affected by the project specified in the resolution have committed significant resources toward completion of the improvement.

(c) Revenues from the tax area may not be allocated until the budget agency approves the resolution.

Sec. 20. (a) A tax area must be established by resolution. A resolution establishing a tax area must provide for the allocation of covered taxes attributable to a taxable event or covered taxes earned in the tax area to the additional professional sports development area fund established for the county. The allocation provision must apply to the part of the tax area covered by this section. The resolution must provide that the tax area terminates not later than December 1, 2049.

(b) All of the salary, wages, bonuses, and other compensation that are:

(1) paid during a taxable year to a professional athlete for professional athletic services;

(2) taxable in Indiana; and

(3) earned in the tax area;

shall be allocated to the tax area if the professional athlete is a member of a team that plays the majority of the professional athletic events that the team plays in Indiana in the tax area.

(c) The total amount of state revenue captured by the tax area may not exceed five million dollars ($5,000,000) per year for thirty-two (32) consecutive years, commencing July 1, 2017.

(d) The resolution establishing the tax area must designate the facility and the facility site for which the tax area is established and covered taxes will be used.

(e) The department may adopt rules under IC 4-22-2 and guidelines to govern the allocation of covered taxes to a tax area.

Sec. 21. (a) When the commission adopts an allocation provision, the commission shall notify the department by certified mail of the adoption of the provision and shall include with the notification a complete list of the following:

(1) Employers in the tax area.

(2) Street names and the range of street numbers of each street in the tax area.

The commission shall update the list before July 1 of each year.

(b) Taxpayers operating in the district shall report annually, in the manner and in the form prescribed by the department, information that the department determines necessary to calculate the salary, wages, bonuses, and other compensation that are:

(1) paid during a taxable year to a professional athlete for professional athletic services;

(2) taxable in Indiana; and

(3) earned in the district.

(c) A taxpayer operating in the district that files a consolidated tax return with the department also shall file annually an informational return with the department for each business location of the taxpayer within the district.

(d) If a taxpayer fails to report the information required by this section or file an informational return required by this section, the department shall use the best information available in calculating the amount of covered taxes attributable to a taxable event in a tax area or covered taxes from income earned in a tax area.

Sec. 22. An additional professional sports development area fund for the county is established. The fund shall be administered by the department. Money in the fund does not revert to the state general fund at the end of a state fiscal year.

Sec. 23. Covered taxes attributable to a tax area approved under section 20 of this chapter shall be deposited in the additional professional sports development area fund for the county.

Sec. 24. On or before the twentieth day of each month, all amounts on deposit in the additional professional sports development area fund for the county are appropriated for and shall be distributed to the capital improvement board.

Sec. 25. The department shall notify the county auditor of the amount of taxes to be distributed to the capital improvement board.

Sec. 26. All distributions from the additional professional sports development area fund for the county shall be made by warrants issued by the auditor of state to the treasurer of state ordering those payments to the capital improvement board.

Sec. 27. The capital improvement board may use money distributed from the additional professional sports development area fund only to construct and equip a capital improvement, including the financing or refinancing of a capital improvement or the payment of lease payments for a capital improvement.

Sec. 28. All capital improvements financed under this chapter are subject to the provisions of 25 IAC 5 concerning equal opportunities for minority business enterprises and women's business enterprises to participate in procurement

and contracting processes. The goal for participation by minority business enterprises must be fifteen percent (15%), the goal for participation by women's business enterprises must be eight percent (8%), and the goal for participation by veteran or disabled business enterprises must be three percent (3%), consistent with the goals of delivering the project on time and within the budgeted amount and, insofar as possible, using Indiana businesses for employees, goods, and services. In fulfilling the goals, historical precedents in the same market must be taken into account.

Sec. 29. The capital improvement board shall repay to the additional professional sports development area fund any amount that is distributed to the capital improvement board and used for:

(1) a purpose that is not described in section 35 of this chapter; or

(2) a facility or facility site other than the facility and facility site to which covered taxes are designated under the resolution described in section 20 of this chapter.

The department shall distribute the covered taxes repaid to the additional professional sports development area fund under this section proportionately to the funds and the political subdivisions that would have received the covered taxes if the covered taxes had not been allocated to the tax area under this chapter.

Sec. 30. (a) Before a lease of a capital improvement located in a tax area may be entered into by the facilities authority and the capital improvement board, the capital improvement board must find that the lease rental provided for is fair and reasonable.

(b) A lease of a capital improvement from the facilities authority to the capital improvement board:

(1) may not have a term exceeding forty (40) years;

(2) may not require payment of lease rental for a newly constructed capital improvement or for improvements to an existing capital improvement until the capital improvement or improvements thereto have been completed and are ready for occupancy;

(3) must provide that:

(A) the capital improvement board is solely responsible for the operation and maintenance of the capital improvement upon completion of construction, including the negotiation and maintenance of agreements with tenants or users of the capital improvement; or

(B) the capital improvement board will be required to enter into a sublease of the capital improvement with a tenant that will be solely responsible for the operation and maintenance of the capital improvement upon completion of construction, including the negotiation and maintenance of agreements with subtenants or other users of the capital improvement;

(4) must provide that:

(A) subject to the terms of the lease, the capital improvement board will retain all revenues from operation of the capital improvement; or

(B) subject to the terms of the sublease, the sublessee will retain all revenues from operation of the capital improvement;

(5) must provide that the facilities authority has no responsibility to fund the ongoing maintenance and operations of the capital improvement;

(6) may contain provisions:

(A) allowing the capital improvement board to continue to operate an existing capital improvement until completion of the improvements, reconstruction, or renovation; and

(B) requiring payment of lease rentals for an existing capital improvement being used, reconstructed, or renovated;

(7) may contain an option to renew the lease for the same or shorter term on the conditions provided in the lease;

(8) must contain an option for the capital improvement board to purchase the capital improvement upon the terms stated in the lease during the term of the lease for a price equal to the amount required to pay all indebtedness incurred on account of the capital improvement, including indebtedness incurred for the refunding of that indebtedness;

(9) may be entered into before acquisition or construction of a capital improvement; and

(10) subject to IC 36-10-9-11, may provide that the lease rental payments by the capital improvement board shall be made from any one (1) or more of the following sources:

(A) Proceeds of the excise taxes imposed under IC 6-9-13-1(b).

(B) Revenue captured under this chapter.

(C) Net revenues of the capital improvement.

(D) Any other funds available to the capital improvement board.

Sec. 31. This chapter contains full and complete authority for leases between the facilities authority and the capital improvement board. No law, procedure, proceedings, publications, notices, consents, approvals, orders, or acts by the board or the capital improvement board or any other officer, department, agency or instrumentality of the state, or any political subdivision is required to enter into any lease, except as prescribed in this chapter.

Sec. 32. If the lease provides for a capital improvement or improvements thereto to be constructed by the facilities authority, the plans and specifications shall be submitted to and approved by the capital improvement board and all agencies designated by law to pass on plans and specifications for public buildings.

Sec. 33. The facilities authority and the capital improvement board may enter into common wall (party wall) agreements or other agreements concerning easements or licenses. The capital improvement board and any sublessee may enter into common wall (party wall) agreements or other agreements concerning easements or licenses. These agreements shall be recorded with the recorder of the county.

Sec. 34. (a) The capital improvement board may lease for a nominal lease rental, or, subject to any sublease between the capital improvement board and a sublessee, sell to the facilities authority, one (1) or more capital improvements or parts thereof or land upon which a capital improvement is located or is to be constructed.

(b) Any lease of all or a part of a capital improvement by the capital improvement board to the facilities authority must be for a term equal to the term of the lease of that capital improvement back to the capital improvement board.

(c) Subject to any sublease between the capital improvement board and a sublessee, the capital improvement board may sell property to the facilities authority for the amount the board determines to be in the best interest of the capital improvement board, which amount may be paid from the proceeds of bonds of the facilities authority.

Sec. 35. (a) The facilities authority may issue bonds for the purpose of obtaining money to pay the cost of:

(1) acquiring property;

(2) constructing, improving, reconstructing, or renovating one (1) or more capital improvements; or

(3) funding or refunding bonds issued under this chapter.

(b) The bonds are payable solely from the lease rentals

from the lease of the capital improvements for which the bonds were issued, insurance proceeds, and any other funds pledged or available.

(c) The bonds shall be authorized by a resolution of the board.

(d) The terms and form of the bonds shall be set out either in the resolution or in a form of trust indenture approved by the resolution.

(e) The bonds must mature within forty (40) years.

(f) The board shall sell the bonds at public or private sale upon the terms as determined by the board.

(g) All money received from any bonds issued under this chapter shall be applied solely to the payment of the cost of the acquisition or construction, or both, of capital improvements, or the cost of refunding or refinancing outstanding bonds, for which the bonds are issued. The cost may include:

(1) planning and development of the facility and all buildings, facilities, structures, and improvements related to it;

(2) acquisition of a site and clearing and preparing the site for construction;

(3) equipment, facilities, structures, and improvements that are necessary or desirable to make the capital improvement suitable for use and operations;

(4) architectural, engineering, consultant, and attorney's fees;

(5) incidental expenses in connection with the issuance and sale of bonds;

(6) reserves for principal and interest;

(7) interest during construction;

(8) financial advisory fees;

(9) insurance during construction;

(10) municipal bond insurance, debt service reserve insurance, letters of credit, or other credit enhancement; and

(11) in the case of refunding or refinancing, payment of the principal of, redemption premiums (if any) for, and interest on, the bonds being refunded or refinanced.

(h) If the facilities authority is acquiring land or all or a part of one (1) or more capital improvements from any person other than the capital improvement board by purchase or lease and is leasing the land or these capital improvements to the capital improvement board, with any additional improvements that may be made to them, and the capital improvement board intends to sublease the land or capital improvement to one (1) or more sublessees, the facilities authority may not issue bonds under this chapter unless the facilities authority first finds that the capital improvement board, the facilities authority, and the sublessee or sublessees have entered into a written agreement concerning the terms of the financing of the facility. This agreement must include the following provisions:

(1) That the facilities authority, the capital improvement board, and any sublessee or sublessees must commit to using their best efforts to assist and cooperate with one another to design and construct the facility on time and on budget.

(2) That any capital improvements financed under this chapter must be approved by the facilities authority. The capital improvement board shall secure the obligations of the sublessee or sublessees of the capital improvements to the capital improvement board under a sublease under this chapter with liens or security interests, which may include:

(A) perfected security interests in personal property;

(B) a mortgage lien on the real property; or

(C) any other security determined to be appropriate by the capital improvement board and the facilities authority.

(3) That if any bonds are issued by the facilities authority under this section to finance capital improvements, on the date that all these bonds are no longer considered outstanding, the capital improvement board shall take the legal steps required to terminate each of its security interests in and mortgage liens on the capital improvements described in subdivision (2).

(4) That if a controlling ownership interest in the sublessee's interests in the capital improvements described in subdivision (2) is sold after the facilities authority issues bonds under this section to finance these capital improvements, the capital improvement board shall determine whether there exists good cause not to allow the purchaser to assume the sublessee's obligations under the sublease and the agreement described in this subsection. If the capital improvement board determines that no good cause exists, the capital improvement board is considered to have accepted the purchaser's assumption of the sublessee's obligations under the sublease and the agreement described in this subsection, and the purchaser is considered to have assumed and become obligated to fully perform those obligations. If the capital improvement board determines that there exists good cause not to approve the purchaser's assumption of the sublessee's obligations under the sublease and the agreement described in this subsection, the capital improvement board is considered to have disapproved the assumption and the capital improvement board may require that the sublessee or sublessees of the capital improvements shall pay or cause to be paid to the capital improvement board an amount sufficient to pay the cost of defeasing all outstanding bonds issued by the facilities authority under this section to finance the capital improvements and paying all expenses of the capital improvement board and the facilities authority incurred in connection with the defeasance.

(i) For purposes of this section, the following may not be considered to be the sale of a controlling ownership interest:

(1) Transfers among the sublessee or sublessees and their subsidiaries and affiliates existing at the time the sublessee or sublessees of the capital improvements described in subsection (h)(2) enter into the written agreement described in subsection (h) concerning the terms of the financing of the capital improvements.

(2) Transfers among existing equity owners of the sublessee or sublessees, if any (as determined at the time the sublessee or sublessees of the capital improvements described in subsection (h)(2) enter into the written agreement described in subsection (h) concerning the terms of the financing of the capital improvements).

(3) Transfers among the existing equity owners (as determined at the time the sublessee or sublessees of the capital improvements described in subsection (h)(2) enter into the written agreement described in subsection (h) concerning the terms of the financing of the capital improvements) and trusts, family limited partnerships, and other entities for estate planning purposes.

Sec. 36. This chapter contains full and complete authority for the issuance of bonds. No law, procedure, proceedings, publications, notices, consents, approvals, orders, or acts by the board or any other officer, department, agency, or instrumentality of the state or of any political subdivision is required to issue any bonds, except as prescribed in this chapter.

Sec. 37. Bonds issued under this chapter are legal investments for private trust funds and the funds of banks, trust companies, insurance companies, building and loan associations, credit unions, banks of discount and deposit, savings banks, loan and trust and safe deposit companies, rural loan and savings associations, guaranty loan and savings associations, mortgage guaranty companies, small loan companies, industrial loan and investment companies, and other financial institutions organized under Indiana law.

Sec. 38. (a) The facilities authority may secure bonds issued under this chapter by a trust indenture between the facilities authority and a corporate trustee, which may be any trust company or national or state bank within Indiana that has trust powers.

(b) The trust indenture may:

(1) pledge or assign lease rentals, receipts, and income from leased capital improvements;

(2) contain reasonable and proper provisions for protecting and enforcing the rights and remedies of the bondholders, including covenants setting forth the duties of the facilities authority and the board of directors of the facilities authority;

(3) set forth the rights and remedies of bondholders and trustee; and

(4) restrict the individual right of action of bondholders.

(c) Any pledge or assignment made by the facilities authority under this section is valid and binding from the time that the pledge or assignment is made, against all persons whether they have notice of the lien or not. Any trust indenture by which a pledge is created or an assignment made need not be filed or recorded. The lien is perfected against third parties by filing the trust indenture in the records of the board of directors of the facilities authority.

Sec. 39. If the capital improvement board exercises its option to purchase leased property, it may issue its bonds as authorized by statute.

Sec. 40. All:

(1) property owned by the facilities authority, except for property located in a tax area;

(2) revenues of the facilities authority; and

(3) bonds issued by the facilities authority, the interest on the bonds, the proceeds received by a holder from the sale of bonds to the extent of the holder's cost of acquisition, proceeds received upon redemption before maturity, proceeds received at maturity, and the receipt of interest in proceeds;

are exempt from taxation in Indiana for all purposes except the financial institutions tax imposed under IC 6-5.5 or a state inheritance tax imposed under IC 6-4.1.

Sec. 41. The facilities authority shall not issue bonds under this chapter, unless:

(1) on or before June 30, 2016, the county fiscal body imposes the rate of the tax authorized by IC 6-9-13-2.1 by the maximum amount authorized by IC 6-9-13-2.1(a); and

(2) on or before July 1, 2017, a tax area has been established under section 20 of this chapter.

Sec. 42. Any action to contest the validity of bonds to be issued under this chapter may not be brought after the fifteenth day following:

(1) the receipt of bids for the bonds, if the bonds are sold at public sale; or

(2) the publication one (1) time in a newspaper of general circulation published in the county of notice of the execution and delivery of the contract for the sale of bonds;

whichever occurs first.

Sec. 43. This chapter expires December 31, 2049.

SECTION 6. IC 36-10-9-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. As used in this chapter:

"Board" refers to a capital improvement board of managers created under this chapter.

"Bonds" means bonds issued under section 12 or section 15 of this chapter and, except as used in section 12 of this chapter or unless the context otherwise requires, lease agreements entered into under section 6(15) of this chapter.

"Excise taxes" refers to the excise taxes imposed by IC 6-9-8 **or under** IC 6-9-12 and ~~IC 6-9-13.~~ **IC 6-9-13-1(a).**

"Issue", "issued", or "issuance" means in the case of lease agreements "execute", "executed", or "execution" respectively.

"Lease agreements" means lease agreements entered into under section 6(15) of this chapter.

"Net income" means the gross income from the operation of a capital improvement after deducting the necessary operating expenses of the board.

"Notes" means notes issued under section 21 of this chapter.

"Operating expenses" means:

(1) the necessary operational expenses of the board in performing its duties under this chapter, including maintenance, repairs, replacements, alterations, and costs of services of architects, engineers, accountants, attorneys, and consultants;

(2) the expenses for any other purpose that has been approved under section 8 of this chapter; and

(3) the maintenance of reasonable reserves for any of the items listed in subdivisions (1) and (2) of this definition or for other purposes required under a resolution, ordinance, or trust agreement.

"Principal and interest" or "principal on and interest of" includes, unless the context otherwise requires, payments required by lease agreements.

"Pre-1981 general obligation bonds" means general obligation bonds issued before January 1, 1981.

"Trust agreements", except as used in section 13 of this chapter or unless the context otherwise requires, includes lease agreements.

SECTION 7. IC 36-10-9.1-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 22. All:

(1) property owned by the authority, **except for property located in an additional professional sports development area established under IC 36-7-31.5;**

(2) revenues of the authority; and

(3) bonds issued by the authority, the interest on the bonds, the proceeds received by a holder from the sale of bonds to the extent of the holder's cost of acquisition, proceeds received upon redemption before maturity, proceeds received at maturity, and the receipt of interest in proceeds;

are exempt from taxation in Indiana for all purposes except the financial institutions tax imposed under IC 6-5.5 or a state inheritance tax imposed under IC 6-4.1.

SECTION 8. **An emergency is declared for this act.**

(Reference is to HB 1273 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 20, nays 3.

BROWN T, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1388, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 5, between lines 28 and 29, begin a new paragraph and insert:

"SECTION 4. IC 6-1.1-10-26.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2011 (RETROACTIVE)]: **Sec. 26.5. (a) This section applies to an assessment date occurring after December 31, 2010.**

(b) The following tangible property is exempt from property taxation if the tangible property is owned by an agricultural organization that is exempt from federal income taxation under Section 501(c)(5) of the Internal Revenue Code:

(1) A tract of land of not more than one hundred forty (140) acres on which a county fair has been conducted for at least fifty (50) years.

(2) The improvements situated on the tract of land.

(3) The personal property located on the tract of land and used for the exempt purposes of the agricultural organization.

SECTION 5. IC 6-1.1-10-37.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 37.5. (a) As used in this section, "common area" means a parcel of land, including improvements, in a residential development that:**

(1) is legally reserved for the exclusive use and enjoyment of all lot owners, occupants, and their guests, regardless of whether a lot owner makes actual use of the land;

(2) is owned by:

(A) the developer, or the developer's assignee, provided such ownership is in a fiduciary capacity for the exclusive benefit of all lot owners in the residential development, and the developer has relinquished all rights to transfer the property other than to a person or entity that will hold title to the property for the exclusive benefit of all lot owners;

(B) each lot owner within the residential development, equally or pro rata; or

(C) a person, trust, or entity that holds title to the land for the benefit of all lot owners within the residential development; and

(3) cannot be transferred for value to another party without the affirmative approval of:

(A) all lot owners within the residential development; or

(B) not less than a majority of all lot owners within the residential development, if majority approval is permitted under the bylaws or other governing documents of a homeowners association, or similar entity.

The term includes, but is not limited to, a lake, pond, street, sidewalk, park, green area, trail, wetlands, signage, swimming pool, clubhouse, or other features or amenities that benefit all lot owners within the residential development.

(b) As used in this section, "lot owner" means an individual or entity that is the owner of record of a lot, parcel, tract, unit, or interest within a residential development.

(c) As used in this section, "residential development" means a parcel of land that is subdivided into lots, parcels, tracts, units, or interests:

(1) all of which include an existing Class 2 structure (as defined in IC 22-12-1-5), or are designated for the construction of a Class 2 structure; and

(2) each of which is encumbered by substantively identical restrictive covenants concerning one (1) or more servient estates located within the boundaries of the original undivided parcel, or other governing document of record.

(d) Notwithstanding any other provision of this article, a common area is exempt from property taxation, provided that the common area meets the following criteria:

(1) A common area may not be created or maintained for the primary purpose of generating income for persons or entities that are not lot owners.

(2) Any income produced from a common area must benefit all lot owners through reduced homeowners or maintenance fees that otherwise would be assessed without such income, or otherwise defray expenses related to neighborhood operations.

(3) Easements and covenants restricting the use and conveyance of common areas to lot owners must be recorded, and notice must be provided, to the appropriate county or township assessor.

(e) A county or township assessor shall designate an area as a common area after:

(1) receiving notice as provided in subsection (d)(3); and

(2) determining that the area:

(A) is a common area; and

(B) meets the criteria under subsection (d).

(f) If a county or township assessor determines that the area is not a common area, or determines that the area fails to meet the requirements of subsection (d), then the county or township assessor shall send a written statement to the owner of the common area not later than thirty (30) days after receiving the notice under subsection (d)(3). The written statement shall contain:

(1) the specific provisions on which the county or township assessor based the determination; and

(2) a statement that the owner of the common area shall have thirty (30) days to address the specific provisions provided in subdivision (1), and to establish the area as a common area that meets the requirements of subsection (d).

(g) If a county or township assessor fails to send a written statement to the owner of a common area as required by this section, then the area for which notice was provided in subsection (d)(3) shall be considered a common area for purposes of this section.

(h) Once an area has been designated a common area, no subsequent refiling of a common area property tax exemption is required unless an area designated as a common area subsequently fails to meet the definition of a common area as provided in this section.

(i) A common area may be created at any time during or after a residential development is created.

(j) An owner of an area may obtain review by the county board of tax appeals of a county or township assessor's determination under subsection (e). The owner of an area that is the prevailing party in an action to enforce the provisions of this section may recover the party's reasonable attorney's fees from the opposing party.".

Page 5, delete lines 29 through 42.

Page 6, delete lines 1 through 3.

Page 17, delete lines 7 through 9, begin a new paragraph and insert:

"SECTION 8. IC 6-1.1-12.4-13, AS ADDED BY P.L.193-2005, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 13. The **rules of the** department of local government finance ~~shall adopt rules under IC 4-22-2 to implement this chapter.~~ **at 50 IAC 22 concerning procedures governing administration of the investment property tax deduction established under this chapter are void. The publisher of the Indiana Administrative Code shall remove 50 IAC 22 from the Indiana Administrative Code.**".

Page 18, delete lines 12 through 14, begin a new paragraph and insert:

"SECTION 11. IC 6-1.1-12.6-9, AS ADDED BY P.L.70-2008, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. The

rules of the department of local government finance ~~shall adopt rules under IC 4-22-2 to implement this chapter.~~ **at 50 IAC 25 concerning procedures governing applications for the model residence property tax deduction established under this chapter are void. The publisher of the Indiana Administrative Code shall remove 50 IAC 25 from the Indiana Administrative Code.**".

Page 19, delete lines 10 through 42, begin a new paragraph and insert:

"SECTION 13. IC 6-1.1-12.8-8, AS ADDED BY P.L.175-2011, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. The **rules of the** department of local government finance ~~shall adopt rules and may adopt emergency rules under IC 4-22-2 to implement this chapter.~~ **at 50 IAC 28 concerning procedures governing applications for the residence in inventory property tax deduction established under this chapter are void. The publisher of the Indiana Administrative Code shall remove 50 IAC 28 from the Indiana Administrative Code.**

SECTION 14. IC 6-1.1-15-1, AS AMENDED BY P.L.257-2013, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) A taxpayer may obtain a review by the county board of a county or township official's action with respect to ~~either or both~~ **any of the following, or any combination** of the following:

(1) The assessment of the taxpayer's tangible property.

(2) A deduction for which a review under this section is authorized by any of the following:

(A) IC 6-1.1-12-25.5.

(B) IC 6-1.1-12-28.5.

(C) IC 6-1.1-12-35.5.

(D) IC 6-1.1-12.1-5.

(E) IC 6-1.1-12.1-5.3.

(F) IC 6-1.1-12.1-5.4.

(3) A determination concerning a common area under IC 6-1.1-10-37.5.

(b) At the time that notice of an action referred to in subsection (a) is given to the taxpayer, the taxpayer shall also be informed in writing of:

(1) the opportunity for a review under this section, including a preliminary informal meeting under subsection (h)(2) with the county or township official referred to in this subsection; and

(2) the procedures the taxpayer must follow in order to obtain a review under this section.

(c) In order to obtain a review of an assessment or deduction effective for the assessment date to which the notice referred to in subsection (b) applies, the taxpayer must file a notice in writing with the county or township official referred to in subsection (a) not later than forty-five (45) days after the date of the notice referred to in subsection (b).

(d) A taxpayer may obtain a review by the county board of the assessment of the taxpayer's tangible property effective for an assessment date for which a notice of assessment is not given as described in subsection (b). To obtain the review, the taxpayer must file a notice in writing with the township assessor, or the county assessor if the township is not served by a township assessor. The right of a taxpayer to obtain a review under this subsection for an assessment date for which a notice of assessment is not given does not relieve an assessing official of the duty to provide the taxpayer with the notice of assessment as otherwise required by this article. The notice to obtain a review must be filed not later than the later of:

(1) May 10 of the year; or

(2) forty-five (45) days after the date of the tax statement mailed by the county treasurer, regardless of whether the assessing official changes the taxpayer's assessment.

(e) A change in an assessment made as a result of a notice for review filed by a taxpayer under subsection (d) after the time prescribed in subsection (d) becomes effective for the next assessment date. A change in an assessment made as a result of a notice for review filed by a taxpayer under subsection (c) or (d) remains in effect from the assessment date for which the change is made until the next assessment date for which the assessment is changed under this article.

(f) The written notice filed by a taxpayer under subsection (c) or (d) must include the following information:

(1) The name of the taxpayer.

(2) The address and parcel or key number of the property.

(3) The address and telephone number of the taxpayer.

(g) The filing of a notice under subsection (c) or (d):

(1) initiates a review under this section; and

(2) constitutes a request by the taxpayer for a preliminary informal meeting with the official referred to in subsection (a).

(h) A county or township official who receives a notice for review filed by a taxpayer under subsection (c) or (d) shall:

(1) immediately forward the notice to the county board; and

(2) attempt to hold a preliminary informal meeting with the taxpayer to resolve as many issues as possible by:

(A) discussing the specifics of the taxpayer's assessment or deduction;

(B) reviewing the taxpayer's property record card;

(C) explaining to the taxpayer how the assessment or deduction was determined;

(D) providing to the taxpayer information about the statutes, rules, and guidelines that govern the determination of the assessment or deduction;

(E) noting and considering objections of the taxpayer;

(F) considering all errors alleged by the taxpayer; and

(G) otherwise educating the taxpayer about:

(i) the taxpayer's assessment or deduction;

(ii) the assessment or deduction process; and

(iii) the assessment or deduction appeal process.

(i) Not later than ten (10) days after the informal preliminary meeting, the official referred to in subsection (a) shall forward to the county auditor and the county board the results of the conference on a form prescribed by the department of local government finance that must be completed and signed by the taxpayer and the official. The form must indicate the following:

(1) If the taxpayer and the official agree on the resolution of all assessment or deduction issues in the review, a statement of:

(A) those issues; and

(B) the assessed value of the tangible property or the amount of the deduction that results from the resolution of those issues in the manner agreed to by the taxpayer and the official.

(2) If the taxpayer and the official do not agree on the resolution of all assessment or deduction issues in the review:

(A) a statement of those issues; and

(B) the identification of:

(i) the issues on which the taxpayer and the official agree; and

(ii) the issues on which the taxpayer and the official disagree.

(j) If the county board receives a form referred to in subsection (i)(1) before the hearing scheduled under subsection (k):

(1) the county board shall cancel the hearing;

(2) the county official referred to in subsection (a) shall give notice to the taxpayer, the county board, the county assessor, and the county auditor of the assessment or deduction in the amount referred to in subsection (i)(1)(B); and

(3) if the matter in issue is the assessment of tangible property, the county board may reserve the right to change

the assessment under IC 6-1.1-13.

(k) If:

(1) subsection (i)(2) applies; or

(2) the county board does not receive a form referred to in subsection (i) not later than one hundred twenty (120) days after the date of the notice for review filed by the taxpayer under subsection (c) or (d);

the county board shall hold a hearing on a review under this subsection not later than one hundred eighty (180) days after the date of that notice. The county board shall, by mail, give at least thirty (30) days notice of the date, time, and place fixed for the hearing to the taxpayer and the county or township official with whom the taxpayer filed the notice for review. The taxpayer and the county or township official with whom the taxpayer filed the notice for review are parties to the proceeding before the county board. A taxpayer may request a continuance of the hearing by filing, at least twenty (20) days before the hearing date, a request for continuance with the board and the county or township official with evidence supporting a just cause for the continuance. The board shall, not later than ten (10) days after the date the request for a continuance is filed, either find that the taxpayer has demonstrated a just cause for a continuance and grant the taxpayer the continuance, or deny the continuance. A taxpayer may request that the board take action without the taxpayer being present and that the board make a decision based on the evidence already submitted to the board by filing, at least eight (8) days before the hearing date, a request with the board and the county or township official. A taxpayer may withdraw a petition by filing, at least eight (8) days before the hearing date, a notice of withdrawal with the board and the county or township official.

(l) At the hearing required under subsection (k):

(1) the taxpayer may present the taxpayer's reasons for disagreement with the assessment or deduction; and

(2) the county or township official with whom the taxpayer filed the notice for review must present:

(A) the basis for the assessment or deduction decision; and

(B) the reasons the taxpayer's contentions should be denied.

A penalty of fifty dollars ($50) shall be assessed against the taxpayer if the taxpayer or representative fails to appear at the hearing and, under subsection (k), the taxpayer's request for continuance is denied, or the taxpayer's request for continuance, request for the board to take action without the taxpayer being present, or withdrawal is not timely filed. A taxpayer may appeal the assessment of the penalty to the Indiana board or directly to the tax court. The penalty may not be added as an amount owed on the property tax statement under IC 6-1.1-22 or IC 6-1.1-22.5.

(m) The official referred to in subsection (a) may not require the taxpayer to provide documentary evidence at the preliminary informal meeting under subsection (h). The county board may not require a taxpayer to file documentary evidence or summaries of statements of testimonial evidence before the hearing required under subsection (k). If the action for which a taxpayer seeks review under this section is the assessment of tangible property, the taxpayer is not required to have an appraisal of the property in order to do the following:

(1) Initiate the review.

(2) Prosecute the review.

(n) The county board shall prepare a written decision resolving all of the issues under review. The county board shall, by mail, give notice of its determination not later than one hundred twenty (120) days after the hearing under subsection (k) to the taxpayer, the official referred to in subsection (a), the county assessor, and the county auditor.

(o) If the maximum time elapses:

(1) under subsection (k) for the county board to hold a hearing; or

(2) under subsection (n) for the county board to give notice of its determination;

the taxpayer may initiate a proceeding for review before the Indiana board by taking the action required by section 3 of this chapter at any time after the maximum time elapses.".

Delete pages 20 through 24.

Page 25, delete lines 1 through 8.

Page 25, between lines 25 and 26 begin a new paragraph and insert:

"SECTION 19. [EFFECTIVE JANUARY 1, 2011 (RETROACTIVE)] **(a) This SECTION applies notwithstanding IC 6-1.1-10, IC 6-1.1-11, or any other law or administrative rule or provision.**

(b) This SECTION applies to an assessment date occurring after December 31, 2010, and before January 1, 2016.

(c) As used in this SECTION, "eligible property" means the following items of tangible property owned by an agricultural organization that is exempt from federal income taxation under Section 501(c)(5) of the Internal Revenue Code:

(1) A tract of land of not more than one hundred forty (140) acres on which a county fair has been conducted for at least fifty (50) years.

(2) The improvements situated on the tract of land.

(3) Personal property located on the tract of land and used for the exempt purposes of the agricultural organization.

(d) As used in this SECTION, "qualified taxpayer" refers to an agricultural organization that:

(1) is exempt from federal income taxes; and

(2) owns an eligible property.

(e) A qualified taxpayer may, before September 1, 2015, file with the county assessor of the county in which the eligible property is located a property tax exemption application and supporting documents claiming a property tax exemption under IC 6-1.1-10-26.5, as added by this act, and this SECTION for the eligible property for one (1) or more of the following assessment dates:

(1) The March 1, 2011, assessment date.

(2) The March 1, 2012, assessment date.

(3) The March 1, 2013, assessment date.

(4) The March 1, 2014, assessment date.

(5) The March 1, 2015, assessment date.

(f) A property tax exemption application filed under subsection (e) by a qualified taxpayer is considered to have been timely filed.

(g) If the county assessor finds that the eligible property would have qualified for an exemption under IC 6-1.1-10-26.5, as added by this act, for an assessment date described in subsection (e) if IC 6-1.1-10-26.5, as added by this act, had been enacted before January 1, 2011, the county assessor shall grant the eligible taxpayer an exemption under this SECTION for each assessment date described in subsection (e).

(h) If an exemption is allowed by the county assessor under this SECTION, the following apply:

(1) No further ruling or action by the county property tax assessment board of appeals of the county in which the eligible property is located or by the Indiana board of tax review is necessary.

(2) The qualified taxpayer is not required to pay any property taxes, penalties, or interest with respect to the eligible property for that assessment date.

(i) To the extent the qualified taxpayer has paid any property taxes, penalties, or interest with respect to the eligible property for an assessment date described in subsection (e), the eligible taxpayer is entitled to a refund of the amounts paid. Notwithstanding the filing deadlines for a claim in IC 6-1.1-26, any claim for a refund filed by an eligible taxpayer under this subsection before September 1,

2015, is considered timely filed. The county auditor may make a determination that any refund due under this SECTION shall be paid in two (2) equal annual installments.

(j) This SECTION expires July 1, 2018.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1388 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 13, nays 7.

BROWN T, C hair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1472, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 4-6-5-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 3. **(a)** No agency, except as provided in this chapter, shall have any right to name, appoint, employ, or hire any attorney or special or general counsel to represent it or perform any legal service in behalf of ~~such~~ **the** agency and the state without the written consent of the attorney general.

(b) An attorney employed by an agency is subject to IC 34-46-3-1 and Trial Rule 26(B) of the Indiana Rules of Trial Procedure, commonly referred to as the attorney-client and work product privileges, if the requirements to assert the protection and privilege have been satisfied.

SECTION 2. IC 6-2.5-1-21.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 21.5. "Licensed practitioner" means an individual who is a doctor, dentist, veterinarian, or other practitioner licensed to prescribe, dispense, and administer drugs to human beings or animals in the course of the practitioner's professional practice of treating patients.**

SECTION 3. IC 6-2.5-3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2016]: Sec. 1. For purposes of this chapter:

(a) "Use" means the exercise of any right or power of ownership over tangible personal property.

(b) "Storage" means the keeping or retention of tangible personal property in Indiana for any purpose except ~~the subsequent use of that property solely outside Indiana.~~ **temporary storage.**

(c) "A retail merchant engaged in business in Indiana" includes any retail merchant who makes retail transactions in which a person acquires personal property or services for use, storage, or consumption in Indiana and who:

(1) maintains an office, place of distribution, sales location, sample location, warehouse, storage place, or other place of business which is located in Indiana and which the retail merchant maintains, occupies, or uses, either permanently or temporarily, either directly or indirectly, and either by the retail merchant or through a representative, agent, or subsidiary;

(2) maintains a representative, agent, salesman, canvasser, or solicitor who, while operating in Indiana under the authority of and on behalf of the retail merchant or a subsidiary of the retail merchant, sells, delivers, installs, repairs, assembles, sets up, accepts returns of, bills, invoices, or takes orders for sales of tangible personal property or services to be used, stored, or consumed in Indiana;

(3) is otherwise required to register as a retail merchant under IC 6-2.5-8-1; or

(4) may be required by the state to collect tax under this article to the extent allowed under the Constitution of the United States and federal law.

(d) "Temporary storage" means the keeping or retention of tangible personal property in Indiana for a period of not more than one hundred eighty (180) days and only for the purpose of the subsequent use of that property solely outside Indiana.

~~(d)~~ **(e)** Notwithstanding any other provision of this section, tangible or intangible property that is:

(1) owned or leased by a person that has contracted with a commercial printer for printing; and

(2) located at the premises of the commercial printer;

shall not be considered to be, or to create, an office, a place of distribution, a sales location, a sample location, a warehouse, a storage place, or other place of business maintained, occupied, or used in any way by the person. A commercial printer with which a person has contracted for printing shall not be considered to be in any way a representative, an agent, a salesman, a canvasser, or a solicitor for the person.

SECTION 4. IC 6-2.5-5-5.1, AS AMENDED BY P.L.137-2012, SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5.1. (a) As used in this section, "tangible personal property" includes electrical energy, natural or artificial gas, water, steam, and steam heat.

(b) Transactions involving tangible personal property are exempt from the state gross retail tax if the person acquiring the property acquires it for direct consumption as a material to be consumed in the direct production of other tangible personal property in the person's business of manufacturing, processing, refining, repairing, mining, agriculture, horticulture, floriculture, or arboriculture. This exemption includes transactions involving acquisitions of tangible personal property used in commercial printing.

~~(c) A refund claim based on the exemption provided by this section for electrical energy, natural or artificial gas, water, steam, and steam heat may not cover transactions that occur more than thirty-six (36) months before the date of the refund claim.~~

SECTION 5. IC 6-2.5-5-18, AS AMENDED BY P.L.265-2013, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 18. **(a) As used in this section, "legend drug" means a drug (as defined in IC 6-2.5-1-17) that is also a legend drug for purposes of IC 16-18-2-199.**

(b) As used in this section, "nonlegend drug" means a drug (as defined in IC 6-2.5-1-17) that is not a legend drug.

(c) Transactions involving the following are exempt from the state gross retail tax if the end user acquires the property upon a prescription or drug order (as defined in IC 16-42-19-3) that is required by law for the transaction from a licensed practitioner:

~~(a)~~ **(1)** ~~Sales or rentals of~~ Durable medical equipment **(including a repair or a replacement part) that:**

(A) can withstand repeated use;

(B) is exclusively used to serve a medical purpose;

(C) is not useful to a person in the absence of an illness or injury;

(D) is not worn in or on the body; and

(E) is required to correct or alleviate injury to, malfunction of, or removal of a part of the human body.

(2) Mobility enhancing equipment **(including a repair or replacement part) that:**

(A) is exclusively used to provide or increase the ability to move from one (1) place to another and that is appropriate for use either in a home or a motor vehicle;

(B) is not used by persons with normal mobility; and

(C) does not include any motor vehicle or equipment on a motor vehicle normally provided by a motor vehicle manufacturer.

(3) Prosthetic devices, **including** artificial limbs, orthopedic devices, dental prosthetic devices, eyeglasses, **and** contact lenses **(and including a repair or a replacement part) that:**

(A) are worn in or on the body; and

(B) function:

(i) as a replacement for a missing body part;

(ii) to correct or prevent a medically diagnosed condition; or

(iii) to support normal function of an otherwise weakened body part.

~~and other medical supplies and devices are exempt from the state gross retail tax, if the sales or rentals are prescribed by a person licensed to issue the prescription.~~

(4) Other medical supplies or devices that are used exclusively for medical treatment of a medically diagnosed condition, including a medically diagnosed condition due to:

(A) injury;

(B) bodily dysfunction; or

(C) surgery.

~~(b)~~ **(5)** ~~Sales of~~ Hearing aid **devices** ~~are exempt from the state gross retail tax if the hearing aids are fitted or dispensed by a person licensed or registered for that purpose. In addition, sales of hearing aid parts, attachments, or accessories are exempt from the state gross retail tax. For purposes of this subsection, a hearing aid is a device which is~~ **that are** worn on the body and ~~which is~~ designed to aid, improve, or correct defective human hearing, **including:**

(A) parts;

(B) attachments;

(C) batteries; or

(D) accessories;

reasonably necessary for use of a hearing aid device.

~~(c) Sales of colostomy bags, ileostomy bags, and the medical equipment, supplies, and devices used in conjunction with those bags are exempt from the state gross retail tax.~~

~~(d) Sales of equipment and devices used to administer insulin are exempt from the state gross retail tax.~~

(6) Legend drugs and nonlegend drugs, if:

(A) a registered pharmacist makes the sale to a patient upon the prescription of a practitioner; or

(B) a licensed practitioner makes the sale to a patient.

(7) A nonlegend drug, if:

(A) the nonlegend drug is dispensed upon an original prescription or a drug order (as defined in IC 16-42-19-3); and

(B) the ultimate user of the drug is a person confined to a hospital or health care facility.

(8) Food, food ingredients, and dietary supplements that are sold by a licensed practitioner or pharmacist.

(d) Transactions involving the following are exempt from the state gross retail tax if the patient acquires the property for the patient's own use without a prescription or drug order:

(1) Hearing aid devices that are:

(A) worn on the body and designed to aid, improve, or correct defective human hearing, including:

(i) parts;

(ii) attachments;

(iii) batteries; or

(iv) accessories;

reasonably necessary for the use of a hearing aid device; and

(B) fitted or dispensed by a person licensed or registered for that purpose.

(2) Colostomy bags, ileostomy bags, and the medical equipment, supplies, and devices used in conjunction with those bags.

(3) Devices and equipment used to administer insulin.

(4) Insulin, oxygen, blood, and blood plasma, if purchased for medical purposes.

SECTION 6. IC 6-2.5-5-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 19. (a) As used in this section, "legend drug" means a drug as defined in IC 6-2.5-1-17 that is also a legend drug for purposes of IC 16-18-2-199.

(b) As used in this section, "nonlegend drug" means a drug (as defined in IC 6-2.5-1-17) that is not a legend drug.

~~(c) Sales of legend drugs and sales of nonlegend drugs are exempt from the state gross retail tax if:~~

~~(1) a registered pharmacist makes the sale upon the prescription of a practitioner who is licensed to prescribe, dispense, and administer those drugs to human beings or animals in the course of his professional practice; or~~

~~(2) the licensed practitioner makes the sales.~~

~~(d) Sales of a nonlegend drug are exempt from the state gross retail tax, if:~~

~~(1) the nonlegend drug is dispensed upon an original prescription or a drug order (as defined in IC 16-42-19-3); and~~

~~(2) the ultimate user of the drug is a person confined to a hospital or health care facility.~~

~~(e) Sales of insulin, oxygen, blood, or blood plasma are exempt from the state gross retail tax, if the purchaser purchases the insulin, oxygen, blood, or plasma for medical purposes.~~

~~(f) Sales of drugs, insulin, oxygen, blood, and blood plasma are exempt from the state gross retail tax if:~~

~~(1) the purchaser is a practitioner licensed to prescribe, dispense, and administer drugs to human beings or animals; and~~

~~(2) the purchaser buys the items for:~~

(c) Transactions involving drugs, insulin, oxygen, blood, and blood plasma are exempt from the state gross retail tax if purchased by a licensed practitioner (as defined in IC 6-2.5-1-21.5) or a health care facility (as defined in IC 16-18-2-161(a)) for the purpose of:

~~(A)~~ **(1)** direct consumption in ~~his practice;~~ **treating patients;** or

~~(B)~~ **(2)** resale to a patient that the practitioner is treating, in the case of sales of legend or nonlegend drugs.

SECTION 7. IC 6-2.5-5-21.5 IS REPEALED [EFFECTIVE JULY 1, 2015]. ~~Sec. 21.5. Sales of food and food ingredients prescribed as medically necessary by a physician licensed to practice medicine in Indiana are exempt from the state gross retail tax if:~~

~~(1) a registered pharmacist makes the sale upon the prescription of a practitioner who is licensed to practice medicine in Indiana; or~~

~~(2) the licensed practitioner makes the sale of the food and food ingredients described in this section.~~

SECTION 8. IC 6-2.5-5-40, AS AMENDED BY P.L.288-2013, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2016]: Sec. 40. (a) As used in this section, "research and development activities" **includes design, refinement, and testing of prototypes of new or improved commercial products before sales have begun for the purpose of determining facts, theories, or principles, or for the purpose of increasing scientific knowledge that may lead to new or enhanced products. The term** does not include any of the following:

(1) Efficiency surveys.

(2) Management studies.

(3) Consumer surveys.
(4) Economic surveys.
(5) Advertising or promotions.
(6) Research in connection with **nontechnical activities, including** literary, historical, **social sciences, economics, humanities, psychology,** or similar projects.
(7) Testing for purposes of quality control.
(8) Market and sales research.
(9) Product market testing, including product testing by product consumers or through consumer surveys for evaluation of consumer product performance or consumer product usability.
(10) The acquisition, investigation, or evaluation of another's patent, model, process, or product for the purpose of investigating or evaluating the value of a potential investment.
(11) The providing of sales services or any other service, whether technical or nontechnical in nature.

(b) As used in this section, "research and development equipment" means tangible personal property that:
(1) consists of or is a combination of:
(A) laboratory equipment;
(B) computers;
(C) computer software;
(D) telecommunications equipment; or
(E) testing equipment;
(2) has not previously been used in Indiana for any purpose; and
(3) is acquired by the purchaser for the purpose of research and development activities devoted directly to experimental or laboratory research and development for:
(A) new products;
(B) new uses of existing products; or
(C) improving or testing existing products.

(c) As used in this section, "research and development property" means tangible personal property that:
(1) has not previously been used in Indiana for any purpose; and
(2) is acquired by the purchaser for the purpose of research and development activities devoted to experimental or laboratory research and development for:
(A) new products;
(B) new uses of existing products; or
(C) improving or testing existing products.

(d) For purposes of subsection (c)(2), a research and development activity is devoted to experimental or laboratory research and development if the activity is considered essential and integral to experimental or laboratory research and development. The term does not include activities incidental to experimental or laboratory research and development.

(e) For purposes of subsection (c)(2), an activity is not considered to be devoted to experimental or laboratory research and development if the activity involves:
(1) heating, cooling, or illumination of office buildings;
(2) capital improvements to real property;
(3) janitorial services;
(4) personnel services or accommodations;
(5) inventory control functions;
(6) management or supervisory functions;
(7) marketing;
(8) training;
(9) accounting or similar administrative functions; or
(10) any other function that is incidental to experimental or laboratory research and development.

~~(d)~~ **(f)** A retail transaction:
(1) involving research and development equipment; and
(2) occurring after June 30, 2007, and before July 1, 2013;
is exempt from the state gross retail tax.

~~(e)~~ **(g)** A retail transaction:
(1) involving research and development property; and
(2) occurring after June 30, 2013;
is exempt from the state gross retail tax.

~~(f)~~ **(h)** The exemption provided by subsection ~~(e)~~ **(g)** applies regardless of whether the person that acquires the research and development property is a manufacturer or seller of the new or existing products specified in subsection (c)(2).

~~(g)~~ **(i)** For purposes of this section, a retail transaction shall be considered as having occurred after June 30, 2013, to the extent that delivery of the property constituting selling at retail is made after that date to the purchaser or to the place of delivery designated by the purchaser. However, a transaction shall be considered as having occurred before July 1, 2013, to the extent that the agreement of the parties to the transaction is entered into before July 1, 2013, and payment for the property furnished in the transaction is made before July 1, 2013, notwithstanding the delivery of the property after June 30, 2013. This subsection expires January 1, 2017.

SECTION 9. IC 6-2.5-8-7, AS AMENDED BY P.L.196-2013, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 7. (a) The department may, for good cause, revoke a certificate issued under section 1, 3, or 4 of this chapter. However, the department must give the certificate holder at least five (5) days notice before it revokes the certificate under this subsection. Good cause for revocation may include the following:
~~(1) Sale or solicitation of a sale involving a synthetic drug (as defined in IC 35-31.5-2-321) or a synthetic drug lookalike substance (as defined in IC 35-31.5-2-321.5).~~
~~(2) Failure to collect sales tax on a sale involving a synthetic drug or a synthetic drug lookalike substance.~~
(1) Failure to file a return required under this chapter or for any tax collected for the state in trust.
(2) Being charged with a violation of any provision under IC 35.
(3) Being subject to a court order under IC 7.1-2-6-7, IC 32-30-6-8, IC 32-30-7, or IC 32-30-8.
The department may revoke a certificate before a criminal adjudication or without a criminal prosecution being filed. If the department gives notice of an intent to revoke based on an alleged violation of ~~subdivision~~ **subdivisions** (1) ~~or (2)~~ **through (3),** the department shall hold a public hearing to determine whether good cause exists. If the department finds in a public hearing by a preponderance of the evidence that a person has committed a violation described in ~~subdivision~~ **subdivisions** (1) ~~or (2)~~ **through (3),** the department shall proceed in accordance with subsection (i) (if the violation resulted in a criminal conviction) or subsection (j) (if the violation resulted in a judgment for an infraction).

(b) The department shall revoke a certificate issued under section 1, 3, or 4 of this chapter if, for a period of three (3) years, the certificate holder fails to:
(1) file the returns required by IC 6-2.5-6-1; or
(2) report the collection of any state gross retail or use tax on the returns filed under IC 6-2.5-6-1.
However, the department must give the certificate holder at least five (5) days notice before it revokes the certificate.

(c) The department may, for good cause, revoke a certificate issued under section 1 of this chapter after at least five (5) days notice to the certificate holder if:
(1) the certificate holder is subject to an innkeeper's tax under IC 6-9; and
(2) a board, bureau, or commission established under IC 6-9 files a written statement with the department.

(d) The statement filed under subsection (c) must state that:
(1) information obtained by the board, bureau, or commission under IC 6-8.1-7-1 indicates that the certificate holder has not complied with IC 6-9; and
(2) the board, bureau, or commission has determined that significant harm will result to the county from the

certificate holder's failure to comply with IC 6-9.

(e) The department shall revoke or suspend a certificate issued under section 1 of this chapter after at least five (5) days notice to the certificate holder if:

(1) the certificate holder owes taxes, penalties, fines, interest, or costs due under IC 6-1.1 that remain unpaid at least sixty (60) days after the due date under IC 6-1.1; and

(2) the treasurer of the county to which the taxes are due requests the department to revoke or suspend the certificate.

(f) The department shall reinstate a certificate suspended under subsection (e) if the taxes and any penalties due under IC 6-1.1 are paid or the county treasurer requests the department to reinstate the certificate because an agreement for the payment of taxes and any penalties due under IC 6-1.1 has been reached to the satisfaction of the county treasurer.

(g) The department shall revoke a certificate issued under section 1 of this chapter after at least five (5) days notice to the certificate holder if the department finds in a public hearing by a preponderance of the evidence that the certificate holder has violated IC 35-45-5-3, IC 35-45-5-3.5, or IC 35-45-5-4.

(h) If a person makes a payment for the certificate under section 1 or 3 of this chapter with a check, credit card, debit card, or electronic funds transfer, and the department is unable to obtain payment of the check, credit card, debit card, or electronic funds transfer for its full face amount when the check, credit card, debit card, or electronic funds transfer is presented for payment through normal banking channels, the department shall notify the person by mail that the check, credit card, debit card, or electronic funds transfer was not honored and that the person has five (5) days after the notice is mailed to pay the fee in cash, by certified check, or other guaranteed payment. If the person fails to make the payment within the five (5) day period, the department shall revoke the certificate.

(i) If the department finds in a public hearing by a preponderance of the evidence that a person has a conviction for a violation of IC 35-48-4-10.5 and the conviction involved the sale of or the offer to sell, in the normal course of business, a synthetic drug or a synthetic drug lookalike substance by a retail merchant in a place of business for which the retail merchant has been issued a registered retail merchant certificate under section 1 of this chapter, the department:

(1) shall suspend the registered retail merchant certificate for the place of business for one (1) year; and

(2) may not issue another retail merchant certificate under section 1 of this chapter for one (1) year to any person:

(A) that:

(i) applied for; or

(ii) made a retail transaction under;

the retail merchant certificate suspended under subdivision (1); or

(B) that:

(i) owned or co-owned, directly or indirectly; or

(ii) was an officer, a director, a manager, or a partner of;

the retail merchant that was issued the retail merchant certificate suspended under subdivision (1).

(j) If the department finds in a public hearing by a preponderance of the evidence that a person has a judgment for a violation of IC 35-48-4-10.5 as an infraction and the violation involved the sale of or the offer to sell, in the normal course of business, a synthetic drug or a synthetic drug lookalike substance by a retail merchant in a place of business for which the retail merchant has been issued a registered retail merchant certificate under section 1 of this chapter, the department:

(1) may suspend the registered retail merchant certificate for the place of business for six (6) months; and

(2) may withhold issuance of another retail merchant certificate under section 1 of this chapter for six (6) months to any person:

(A) that:

(i) applied for; or

(ii) made a retail transaction under;

the retail merchant certificate suspended under subdivision (1); or

(B) that:

(i) owned or co-owned, directly or indirectly; or

(ii) was an officer, a director, a manager, or a partner of;

the retail merchant that was issued the retail merchant certificate suspended under subdivision (1).

SECTION 10. IC 6-3-1-11, AS AMENDED BY P.L.205-2013, SECTION 81, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2015 (RETROACTIVE)]: Sec. 11. (a) The term "Internal Revenue Code" means the Internal Revenue Code of 1986 of the United States as amended and in effect on January 1, ~~2013.~~ **2015.**

(b) Whenever the Internal Revenue Code is mentioned in this article, the particular provisions that are referred to, together with all the other provisions of the Internal Revenue Code in effect on January 1, ~~2011,~~ **2015,** that pertain to the provisions specifically mentioned, shall be regarded as incorporated in this article by reference and have the same force and effect as though fully set forth in this article. To the extent the provisions apply to this article, regulations adopted under Section 7805(a) of the Internal Revenue Code and in effect on January 1, ~~2011,~~ **2015,** shall be regarded as rules adopted by the department under this article, unless the department adopts specific rules that supersede the regulation.

(c) An amendment to the Internal Revenue Code made by an act passed by Congress before January 1, ~~2013,~~ **2015,** that is effective for any taxable year that began before January 1, ~~2013,~~ **2015,** and that affects:

(1) individual adjusted gross income (as defined in Section 62 of the Internal Revenue Code);

(2) corporate taxable income (as defined in Section 63 of the Internal Revenue Code);

(3) trust and estate taxable income (as defined in Section 641(b) of the Internal Revenue Code);

(4) life insurance company taxable income (as defined in Section 801(b) of the Internal Revenue Code);

(5) mutual insurance company taxable income (as defined in Section 821(b) of the Internal Revenue Code); or

(6) taxable income (as defined in Section 832 of the Internal Revenue Code);

is also effective for that same taxable year for purposes of determining adjusted gross income under section 3.5 of this chapter.

(d) This subsection applies to a taxable year ending before January 1, 2013. The following provisions of the Internal Revenue Code that were amended by the Tax Relief Act, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (P.L. 111-312) are treated as though they were not amended by the Tax Relief Act, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (P.L. 111-312):

(1) Section 1367(a)(2) of the Internal Revenue Code pertaining to an adjustment of basis of the stock of shareholders.

(2) Section 871(k)(1)(C) and 871(k)(2)(C) of the Internal Revenue Code pertaining the treatment of certain dividends of regulated investment companies.

(3) Section 897(h)(4)(A)(ii) of the Internal Revenue Code pertaining to regulated investment companies qualified entity treatment.

(4) Section 512(b)(13)(E)(iv) of the Internal Revenue Code pertaining to the modification of tax treatment of certain payments to controlling exempt organizations.

(5) Section 613A(c)(6)(H)(ii) of the Internal Revenue Code pertaining to the limitations on percentage depletion in the case of oil and gas wells.

(6) Section 451(i)(3) of the Internal Revenue Code pertaining to special rule for sales or dispositions to implement Federal Energy Regulatory Commission or state electric restructuring policy for qualified electric utilities.

(7) Section 954(c)(6) of the Internal Revenue Code pertaining to the look-through treatment of payments between related controlled foreign corporation under foreign personal holding company rules.

The department shall develop forms and adopt any necessary rules under IC 4-22-2 to implement this subsection.

SECTION 11. IC 6-3-4-8, AS AMENDED BY P.L.158-2013, SECTION 86, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 8. (a) Except as provided in subsection (d), every employer making payments of wages subject to tax under this article, regardless of the place where such payment is made, who is required under the provisions of the Internal Revenue Code to withhold, collect, and pay over income tax on wages paid by such employer to such employee, shall, at the time of payment of such wages, deduct and retain therefrom the amount prescribed in withholding instructions issued by the department. The department shall base its withholding instructions on the adjusted gross income tax rate for persons, on the total rates of any income taxes that the taxpayer is subject to under IC 6-3.5, and on the total amount of exclusions the taxpayer is entitled to under IC 6-3-1-3.5(a)(3) and IC 6-3-1-3.5(a)(4). However, the withholding instructions on the adjusted gross income of a nonresident alien (as defined in Section 7701 of the Internal Revenue Code) are to be based on applying not more than one (1) withholding exclusion, regardless of the total number of exclusions that IC 6-3-1-3.5(a)(3) and IC 6-3-1-3.5(a)(4) permit the taxpayer to apply on the taxpayer's final return for the taxable year. Such employer making payments of any wages:

(1) shall be liable to the state of Indiana for the payment of the tax required to be deducted and withheld under this section and shall not be liable to any individual for the amount deducted from the individual's wages and paid over in compliance or intended compliance with this section; and

(2) shall make return of and payment to the department monthly of the amount of tax which under this article and IC 6-3.5 the employer is required to withhold.

(b) An employer shall pay taxes withheld under subsection (a) during a particular month to the department no later than thirty (30) days after the end of that month. However, in place of monthly reporting periods, the department may permit an employer to report and pay the tax for a calendar year reporting period, if the average monthly amount of all tax required to be withheld by the employer in the previous calendar year does not exceed one thousand dollars ($1,000). An employer using a reporting period (other than a monthly reporting period) must file the employer's return and pay the tax for a reporting period no later than the last day of the month immediately following the close of the reporting period.

(c) For purposes of determining whether an employee is subject to taxation under IC 6-3.5, an employer is entitled to rely on the statement of an employee as to the employee's county of residence as represented by the statement of address in forms claiming exemptions for purposes of withholding, regardless of when the employee supplied the forms. Every employee shall notify the employee's employer within five (5) days after any change in the employee's county of residence.

(d) A county that makes payments of wages subject to tax under this article:

(1) to a precinct election officer (as defined in IC 3-5-2-40.1); and

(2) for the performance of the duties of the precinct election officer imposed by IC 3 that are performed on election day;

is not required, at the time of payment of the wages, to deduct and retain from the wages the amount prescribed in withholding instructions issued by the department.

(e) Every employer shall, at the time of each payment made by the employer to the department, deliver to the department a return upon the form prescribed by the department showing:

(1) the total amount of wages paid to the employer's employees;

(2) the amount deducted therefrom in accordance with the provisions of the Internal Revenue Code;

(3) the amount of adjusted gross income tax deducted therefrom in accordance with the provisions of this section;

(4) the amount of income tax, if any, imposed under IC 6-3.5 and deducted therefrom in accordance with this section; and

(5) any other information the department may require.

Every employer making a declaration of withholding as provided in this section shall furnish the employer's employees annually, but not later than thirty (30) days after the end of the calendar year, a record of the total amount of adjusted gross income tax and the amount of each income tax, if any, imposed under IC 6-3.5, withheld from the employees, on the forms prescribed by the department. **In addition, the employer shall file Form WH-3 annual withholding tax reports with the department not later than thirty-one (31) days after the end of the calendar year.**

(f) All money deducted and withheld by an employer shall immediately upon such deduction be the money of the state, and every employer who deducts and retains any amount of money under the provisions of this article shall hold the same in trust for the state of Indiana and for payment thereof to the department in the manner and at the times provided in this article. Any employer may be required to post a surety bond in the sum the department determines to be appropriate to protect the state with respect to money withheld pursuant to this section.

(g) The provisions of IC 6-8.1 relating to additions to tax in case of delinquency and penalties shall apply to employers subject to the provisions of this section, and for these purposes any amount deducted or required to be deducted and remitted to the department under this section shall be considered to be the tax of the employer, and with respect to such amount the employer shall be considered the taxpayer. In the case of a corporate or partnership employer, every officer, employee, or member of such employer, who, as such officer, employee, or member is under a duty to deduct and remit such taxes, shall be personally liable for such taxes, penalties, and interest.

(h) Amounts deducted from wages of an employee during any calendar year in accordance with the provisions of this section shall be considered to be in part payment of the tax imposed on such employee for the employee's taxable year which begins in such calendar year, and a return made by the employer under subsection (b) shall be accepted by the department as evidence in favor of the employee of the amount so deducted from the employee's wages. Where the total amount so deducted exceeds the amount of tax on the employee as computed under this article and IC 6-3.5, the department shall, after examining the return or returns filed by the employee in accordance with this article and IC 6-3.5, refund the amount of the excess deduction. However, under rules promulgated by the department, the excess or any part thereof may be applied to any taxes or other claim due from the taxpayer to the state of Indiana or any subdivision thereof. ~~No refund shall be made to an employee who fails to file the employee's return or returns as required under this article and IC 6-3.5 within two (2) years from the due date of the return or returns.~~ In the event that the excess tax deducted is less than one dollar ($1), no refund shall be made.

(i) This section shall in no way relieve any taxpayer from the taxpayer's obligation of filing a return or returns at the time required under this article and IC 6-3.5, and, should the amount

withheld under the provisions of this section be insufficient to pay the total tax of such taxpayer, such unpaid tax shall be paid at the time prescribed by section 5 of this chapter.

(j) Notwithstanding subsection (b), an employer of a domestic service employee that enters into an agreement with the domestic service employee to withhold federal income tax under Section 3402 of the Internal Revenue Code may withhold Indiana income tax on the domestic service employee's wages on the employer's Indiana individual income tax return in the same manner as allowed by Section 3510 of the Internal Revenue Code.

(k) To the extent allowed by Section 1137 of the Social Security Act, an employer of a domestic service employee may report and remit state unemployment insurance contributions on the employee's wages on the employer's Indiana individual income tax return in the same manner as allowed by Section 3510 of the Internal Revenue Code.

(l) A person who knowingly fails to remit trust fund money as set forth in this section commits a Level 6 felony.

SECTION 12. IC 6-3.1-4-1, AS AMENDED BY P.L.193-2005, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. As used in this chapter:

"Base amount" means base amount (as defined in Section 41(c) of the Internal Revenue Code) ~~as in effect on January 1, 2001),~~ modified by considering only Indiana qualified research expenses and gross receipts attributable to Indiana in the calculation of the taxpayer's:

(1) fixed base percentage; and

(2) average annual gross receipts.

"Indiana qualified research expense" means qualified research expense that is incurred for research conducted in Indiana.

"Qualified research expense" means qualified research expense (as defined in Section 41(b) of the Internal Revenue Code). ~~as in effect on January 1, 2001).~~

"Pass through entity" means:

(1) a corporation that is exempt from the adjusted gross income tax under IC 6-3-2-2.8(2);

(2) a partnership;

(3) a limited liability company; or

(4) a limited liability partnership.

"Research expense tax credit" means a credit provided under this chapter against any tax otherwise due and payable under IC 6-3.

"Taxpayer" means an individual, a corporation, a limited liability company, a limited liability partnership, a trust, or a partnership that has any tax liability under IC 6-3 (adjusted gross income tax).

SECTION 13. IC 6-3.1-4-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 4. The provisions of Section 41 of the Internal Revenue Code ~~as in effect on January 1, 2001,~~ and the regulations promulgated in respect to those provisions ~~and in effect on January 1, 2001,~~ are applicable to the interpretation and administration by the department of the credit provided by this chapter, including the allocation and pass through of the credit to various taxpayers and the transitional rules for determination of the base period.

SECTION 14. IC 6-3.1-21-6, AS AMENDED BY P.L.229-2011, SECTION 87, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 6. (a) Except as provided by subsection (b), an individual who is eligible for an earned income tax credit under Section 32 of the Internal Revenue Code as it existed before being amended by the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (P.L. 111-312), is eligible for a credit under this chapter equal to nine percent (9%) of the amount of the federal earned income tax credit that the individual:

(1) is eligible to receive in the taxable year; and

(2) claimed for the taxable year;

under Section 32 of the Internal Revenue Code as it existed before being amended by the Tax Relief. Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (P.L. 111-312).

(b) In the case of a nonresident taxpayer or a resident taxpayer residing in Indiana for a period of less than the taxpayer's entire taxable year, the amount of the credit is equal to the product of:

(1) the amount determined under subsection (a); multiplied by

(2) the quotient of the taxpayer's income taxable in Indiana divided by the taxpayer's total income.

(c) If the credit amount exceeds the taxpayer's adjusted gross income tax liability for the taxable year, the excess ~~less any advance payments of the credit made by the taxpayer's employer under IC 6-3-4-8 that reduce the excess,~~ shall be refunded to the taxpayer.

SECTION 15. IC 6-3.1-21-8, AS AMENDED BY P.L.172-2011, SECTION 65, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 8. To obtain a credit under this chapter, a taxpayer must claim the ~~advance payment or~~ credit in the manner prescribed by the department of state revenue. The taxpayer shall submit to the department of state revenue all information that the department of state revenue determines is necessary for the calculation of the credit provided by this chapter.

SECTION 16. IC 6-3.5-1.1-2, AS AMENDED BY P.L.261-2013, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The county council of any county in which the county option income tax will not be in effect on December 1 of a year under an ordinance adopted during a previous calendar year may impose the county adjusted gross income tax on the adjusted gross income of county taxpayers of its county.

(b) Except as provided in section 2.3, 2.5, 2.7, 2.8, 2.9, 3.3, **3.4,** 3.5, 3.6, 24, 25, or 26 of this chapter, the county adjusted gross income tax may be imposed at a rate of one-half of one percent (0.5%), three-fourths of one percent (0.75%), or one percent (1%) on the adjusted gross income of resident county taxpayers of the county. Any county imposing the county adjusted gross income tax must impose the tax on the nonresident county taxpayers at a rate of one-fourth of one percent (0.25%) on their adjusted gross income. If the county council elects to decrease the county adjusted gross income tax, the county council may decrease the county adjusted gross income tax rate in increments of one-tenth of one percent (0.1%).

(c) To impose the county adjusted gross income tax, the county council must adopt an ordinance. The ordinance must substantially state the following:

"The _____ County Council imposes the county adjusted gross income tax on the county taxpayers of _____ County. The county adjusted gross income tax is imposed at a rate of _____ percent (_____%) on the resident county taxpayers of the county and one-fourth of one percent (0.25%) on the nonresident county taxpayers of the county.".

(d) The auditor of a county shall record all votes taken on ordinances presented for a vote under the authority of this section and, not more than ten (10) days after the vote, send a certified copy of the results to the commissioner of the department, the director of the budget agency, and the commissioner of the department of local government finance in an electronic format approved by the director of the budget agency.

(e) If the county adjusted gross income tax had previously been adopted by a county under IC 6-3.5-1 (before its repeal on March 15, 1983) and that tax was in effect at the time of the enactment of this chapter, then the county adjusted gross income tax continues in that county at the rates in effect at the time of

enactment until the rates are modified or the tax is rescinded in the manner prescribed by this chapter. If a county's adjusted gross income tax is continued under this subsection, then the tax shall be treated as if it had been imposed under this chapter and is subject to rescission or reduction as authorized in this chapter.

SECTION 16. IC 6-3.5-1.1-2.8, AS AMENDED BY P.L.119-2012, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2.8. (a) This section applies to the following counties:

(1) Elkhart County.

(2) Marshall County.

(b) The county council may, by ordinance, determine that additional county adjusted gross income tax revenue is needed in the county to:

(1) finance, construct, acquire, improve, renovate, or equip:

(A) jail facilities;

(B) juvenile court, detention, and probation facilities;

(C) other criminal justice facilities; and

(D) related buildings and parking facilities;

located in the county, including costs related to the demolition of existing buildings and the acquisition of land; and

(2) repay bonds issued or leases entered into for the purposes described in subdivision (1).

(c) The county council may, by ordinance, determine that additional county adjusted gross income tax revenue is needed in the county to operate or maintain:

(1) jail facilities;

(2) juvenile court, detention, and probation facilities;

(3) other criminal justice facilities; and

(4) related buildings and parking facilities;

located in the county. A county council of a county named in subsection (a)(1) or (a)(2) may make a determination under both this subsection and subsection (b).

(d) In addition to the rates permitted by section 2 of this chapter, the county council may impose the county adjusted gross income tax at a rate of:

(1) fifteen-hundredths percent (0.15%);

(2) two-tenths percent (0.2%); or

(3) twenty-five hundredths percent (0.25%);

on the adjusted gross income of county taxpayers if the county council makes a finding and determination set forth in subsection (b) or (c). The tax rate may not be imposed at a rate greater than is necessary to carry out the purposes described in subsections (b) and (c), as applicable.

(e) ~~This subsection applies only to Elkhart County.~~ If the county council imposes the tax under this section to pay for the purposes described in both subsections (b) and (c), when:

(1) the financing, construction, acquisition, improvement, renovation, and equipping described in subsection (b) are completed; and

(2) all bonds issued (including any refunding bonds) or leases entered into to finance the construction, acquisition, improvement, renovation, and equipping described in subsection (b) are fully paid;

the county council shall, subject to subsection (d), establish a tax rate under this section by ordinance such that the revenue from the tax does not exceed the costs of operating and maintaining the jail facilities referred to in subsection (b)(1)(A).

(f) The tax imposed under this section may be imposed only until the last of the following dates:

(1) The date on which the financing, construction, acquisition, improvement, renovation, and equipping described in subsection (b) are completed.

(2) The date on which the last of any bonds issued (including any refunding bonds) or leases entered into to finance the construction, acquisition, improvement, renovation, and equipping described in subsection (b) are fully paid.

(3) ~~If the county imposing the tax under this section is Elkhart County,~~ The date on which an ordinance adopted under subsection (c) is rescinded.

(g) The term of the bonds issued (including any refunding bonds) or a lease entered into under subsection (b)(2) may not exceed twenty (20) years.

(h) The county treasurer shall establish a criminal justice facilities revenue fund to be used only for purposes described in this section. County adjusted gross income tax revenues derived from the tax rate imposed under this section shall be deposited in the criminal justice facilities revenue fund before making a certified distribution under section 11 of this chapter.

(i) County adjusted gross income tax revenues derived from the tax rate imposed under this section:

(1) may be used only for the purposes described in this section;

(2) may not be considered by the department of local government finance in determining the county's maximum permissible property tax levy limit under IC 6-1.1-18.5; and

(3) may be pledged to the repayment of bonds issued or leases entered into for any or all the purposes described in subsection (b).

(j) Notwithstanding any other law, money remaining in the criminal justice facilities revenue fund established under subsection (h) after the tax imposed by this section is terminated under subsection (f) shall be transferred to the county highway fund to be used for construction, resurfacing, restoration, and rehabilitation of county highways, roads, and bridges.

SECTION 17. IC 6-3.5-1.1-3.4 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 3.4. (a) This section applies only to Tipton County.**

(b) The county council may, by ordinance, determine that additional county adjusted gross income tax revenue is needed in the county to:

(1) finance, construct, acquire, improve, renovate, remodel, equip, operate, or maintain the county jail and related buildings and parking facilities, including costs related to the demolition of existing buildings, the acquisition of land, and any other reasonably related costs; and

(2) repay bonds issued or leases entered into for constructing, acquiring, improving, renovating, remodeling, equipping, operating, and maintaining the county jail and related buildings and parking facilities, including costs related to the demolition of existing buildings, the acquisition of land, and any other reasonably related costs.

(c) In addition to the rates permitted by section 2 of this chapter, the county council may impose the county adjusted gross income tax at a rate of:

(1) fifteen-hundredths percent (0.15%);

(2) two-tenths percent (0.2%);

(3) twenty-five hundredths percent (0.25%);

(4) three-tenths percent (0.3%);

(5) thirty-five hundredths percent (0.35%); or

(6) four-tenths percent (0.4%);

on the adjusted gross income of county taxpayers if the county council makes the determination set forth in subsection (b). The tax imposed under this section may be imposed only until the later of the date on which the financing, constructing, acquisition, improvement, renovation, remodeling, and equipping described in subsection (b) are completed or the date on which the last of any bonds issued or leases entered into to finance the construction, acquisition, improvement, renovation, remodeling, equipping, operating, and maintaining described in subsection (b) are fully paid. The term of the bonds issued (including any refunding bonds) or a lease

entered into under subsection (b)(2) may not exceed twenty (20) years.

(d) If the county council makes a determination under subsection (b), the county council may adopt a tax rate under subsection (c). The tax rate may not be imposed at a rate greater than is necessary to pay the costs of financing, constructing, acquiring, improving, renovating, remodeling, equipping, operating, and maintaining the county jail and related buildings and parking facilities, including costs related to the demolition of existing buildings, the acquisition of land, and any other reasonably related costs.

(e) The county treasurer shall establish a county jail revenue fund to be used only for the purposes described in this section. County adjusted gross income tax revenues derived from the tax rate imposed under this section shall be deposited in the county jail revenue fund before making a certified distribution under section 11 of this chapter.

(f) County adjusted gross income tax revenues derived from the tax rate imposed under this section:

(1) may be used only for the purposes described in this section;

(2) may not be considered by the department of local government finance in determining the county's maximum permissible ad valorem property tax levy limit under IC 6-1.1-18.5; and

(3) may be pledged to the repayment of bonds issued or leases entered into for the purposes described in subsection (b).

(g) Tipton County possesses unique governmental and economic development challenges due to:

(1) the county's heavy agricultural base;

(2) deficiencies in the current county jail, including:

(A) overcrowding;

(B) lack of program and support space for efficient jail operations;

(C) inadequate line of sight supervision of inmates, due to current jail configuration;

(D) lack of adequate housing for an increasing female inmate population and inmates with special needs;

(E) lack of adequate administrative space; and

(F) increasing maintenance demands and costs resulting from the age of facilities;

(3) the presence of a large industrial employer that offers the opportunity to expand the income tax base; and

(4) the presence of the historic Tipton County jail and sheriff's home, listed on the National Register of Historic Places.

The use of county adjusted gross income tax revenue as provided in this section is necessary for the county to provide adequate jail facilities in the county and to maintain low property tax rates essential to economic development. The use of county adjusted gross income tax revenues as provided in this section to pay any bonds issued or leases entered into to finance the construction, acquisition, improvement, renovation, remodeling, equipping, operating, and maintaining described in subsection (b), rather than the use of property taxes, promotes those purposes.

(h) Notwithstanding any other law, funds accumulated from the county adjusted gross income tax imposed under this section after:

(1) the redemption of bonds issued; or

(2) the final payment of lease rentals due under a lease entered into under this section;

shall be transferred to the county rainy day fund under IC 36-1-8-5.1.

SECTION 18. IC 6-3.5-1.1-10, AS AMENDED BY P.L.137-2012, SECTION 70, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) One-twelfth (1/12) of each adopting county's certified distribution for a calendar year shall be distributed from its account established under section 8 of this chapter to the appropriate county treasurer on the first regular business day of each month of that calendar year.

(b) Except for:

(1) revenue that must be used to pay the costs of:

(A) financing, constructing, acquiring, improving, renovating, equipping, operating, or maintaining facilities and buildings;

(B) debt service on bonds; or

(C) lease rentals;

under section 2.3 of this chapter;

(2) revenue that must be used to pay the costs of operating a jail and juvenile detention center under section 2.5 of this chapter;

(3) revenue that must be used to pay the costs of:

(A) financing, constructing, acquiring, improving, renovating, equipping, operating, or maintaining facilities and buildings;

(B) debt service on bonds; or

(C) lease rentals;

under section 2.8 of this chapter;

(4) revenue that must be used to pay the costs of construction, improvement, renovation, or remodeling of a jail and related buildings and parking structures under section 2.7, 2.9, or 3.3 of this chapter;

(5) revenue that must be used to pay the costs of operating and maintaining a jail and justice center under section 3.5(d) of this chapter;

(6) revenue that must be used to pay the costs of constructing, acquiring, improving, renovating, or equipping a county courthouse under section 3.6 of this chapter; ~~or~~

(7) revenue that must be used to pay the costs of:

(A) financing, constructing, acquiring, improving, renovating, remodeling, equipping, operating, or maintaining a county jail and related buildings and facilities;

(B) debt service; or

(C) lease rentals;

under section 3.4 of this chapter; or

~~(7)~~ **(8)** revenue attributable to a tax rate under section 24, 25, or 26 of this chapter;

distributions made to a county treasurer under subsection (a) shall be treated as though they were property taxes that were due and payable during that same calendar year. Except as provided by sections 24, 25, and 26 of this chapter, the certified distribution shall be distributed and used by the taxing units and school corporations as provided in sections 11 through 15 of this chapter.

(c) All distributions from an account established under section 8 of this chapter shall be made by warrants issued by the auditor of the state to the treasurer of the state ordering the appropriate payments.

SECTION 19. IC 6-3.5-1.1-11, AS AMENDED BY P.L.77-2011, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) Except for:

(1) revenue that must be used to pay the costs of:

(A) financing, constructing, acquiring, improving, renovating, equipping, operating, or maintaining facilities and buildings;

(B) debt service on bonds; or

(C) lease rentals;

under section 2.3 of this chapter;

(2) revenue that must be used to pay the costs of operating a jail and juvenile detention center under section 2.5 of this chapter;

(3) revenue that must be used to pay the costs of:

(A) financing, constructing, acquiring, improving,

renovating, equipping, operating, or maintaining facilities and buildings;

(B) debt service on bonds; or

(C) lease rentals;

under section 2.8 of this chapter;

(4) revenue that must be used to pay the costs of construction, improvement, renovation, or remodeling of a jail and related buildings and parking structures under section 2.7, 2.9, or 3.3 of this chapter;

(5) revenue that must be used to pay the costs of operating and maintaining a jail and justice center under section 3.5(d) of this chapter;

(6) revenue that must be used to pay the costs of constructing, acquiring, improving, renovating, or equipping a county courthouse under section 3.6 of this chapter; ~~or~~

(7) revenue that must be used to pay the costs of:

(A) financing, constructing, acquiring, improving, renovating, remodeling, equipping, operating, or maintaining a county jail and related buildings and facilities;

(B) debt service; or

(C) lease rentals;

under section 3.4 of this chapter; or

~~(7)~~ **(8)** revenue attributable to a tax rate under section 24, 25, or 26 of this chapter;

the certified distribution received by a county treasurer shall, in the manner prescribed in this section, be allocated, distributed, and used by the civil taxing units and school corporations of the county as certified shares and property tax replacement credits.

(b) Before August 10 of each calendar year, each county auditor shall determine the part of the certified distribution for the next succeeding calendar year that will be allocated as property tax replacement credits and the part that will be allocated as certified shares. The percentage of a certified distribution that will be allocated as property tax replacement credits or as certified shares depends upon the county adjusted gross income tax rate for resident county taxpayers in effect on December 1 of the calendar year that precedes the year in which the certified distribution will be received by two (2) years. The percentages are set forth in the following table:

COUNTY ADJUSTED GROSS INCOME TAX RATE	PROPERTY TAX REPLACEMENT CREDITS	CERTIFIED SHARES
0.5%	50%	50%
0.75%	33 1/3%	66 2/3%
1%	25%	75%

(c) The part of a certified distribution that constitutes property tax replacement credits shall be distributed as provided under sections 12, 13, and 14 of this chapter.

(d) The part of a certified distribution that constitutes certified shares shall be distributed as provided by section 15 of this chapter.

SECTION 20. IC 6-3.5-7-5, AS AMENDED BY P.L.153-2014, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) Except as provided in subsection (c), the county economic development income tax may be imposed on the adjusted gross income of county taxpayers. Except as provided in section 26(m) of this chapter, the entity that may impose the tax is:

(1) the county income tax council (as defined in IC 6-3.5-6-1) if the county option income tax is in effect on October 1 of the year the county economic development income tax is imposed;

(2) the county council if the county adjusted gross income tax is in effect on October 1 of the year the county economic development tax is imposed; or

(3) the county income tax council or the county council, whichever acts first, for a county not covered by subdivision (1) or (2).

To impose the county economic development income tax, a county income tax council shall use the procedures set forth in IC 6-3.5-6 concerning the imposition of the county option income tax.

(b) Except as provided in this section and section 28 of this chapter, the county economic development income tax may be imposed at a rate of:

(1) one-tenth percent (0.1%);

(2) two-tenths percent (0.2%);

(3) twenty-five hundredths percent (0.25%);

(4) three-tenths percent (0.3%);

(5) thirty-five hundredths percent (0.35%);

(6) four-tenths percent (0.4%);

(7) forty-five hundredths percent (0.45%); or

(8) five-tenths percent (0.5%);

on the adjusted gross income of county taxpayers.

(c) Except as provided in this section, the county economic development income tax rate plus the county adjusted gross income tax rate, if any, that are in effect on January 1 of a year may not exceed one and twenty-five hundredths percent (1.25%). Except as provided in this section, the county economic development tax rate plus the county option income tax rate, if any, that are in effect on January 1 of a year may not exceed one percent (1%).

(d) To impose, increase, decrease, or rescind the county economic development income tax, the appropriate body must adopt an ordinance.

(e) The ordinance to impose the tax must substantially state the following:

"The _____ County _____ imposes the county economic development income tax on the county taxpayers of _____ County. The county economic development income tax is imposed at a rate of _____ percent (____%) on the county taxpayers of the county.".

(f) The auditor of a county shall record all votes taken on ordinances presented for a vote under the authority of this chapter and shall, not more than ten (10) days after the vote, send a certified copy of the results to the commissioner of the department, the director of the budget agency, and the commissioner of the department of local government finance in an electronic format approved by the director of the budget agency.

(g) For Jackson County, except as provided in subsection (o), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and thirty-five hundredths percent (1.35%) if the county has imposed the county adjusted gross income tax at a rate of one and one-tenth percent (1.1%) under IC 6-3.5-1.1-2.5.

(h) For Pulaski County, except as provided in subsection (o), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and fifty-five hundredths percent (1.55%).

(i) For Wayne County, except as provided in subsection (o), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%).

(j) This subsection applies to Randolph County. Except as provided in subsection (o), in addition to the rates permitted under subsection (b):

(1) the county economic development income tax may be imposed at a rate of twenty-five hundredths percent (0.25%); and

(2) the sum of the county economic development income tax rate and the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%);

if the county council makes a determination to impose rates under this subsection and section 22.5 of this chapter.

(k) For Daviess County, except as provided in subsection (o), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%).

(l) For:

(1) Elkhart County; or

(2) Marshall County;

except as provided in subsection (o), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%).

(m) For Union County, except as provided in subsection (o), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%).

(n) This subsection applies to Knox County. Except as provided in subsection (o), in addition to the rates permitted under subsection (b):

(1) the county economic development income tax may be imposed at a rate of twenty-five hundredths percent (0.25%); and

(2) the sum of the county economic development income tax rate and:

(A) the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%); or

(B) the county option income tax rate that are in effect on January 1 of a year may not exceed one and twenty-five hundredths percent (1.25%);

if the county council makes a determination to impose rates under this subsection and section 24 of this chapter.

(o) This subsection applies to a county in which an adopting entity approves the use of the certified distribution for property tax relief under section 26(c) and 26(e) of this chapter or to a county in which the county fiscal body approves the use of the certified distribution to fund a public transportation project under section 26(m) of this chapter. In addition:

(1) the county economic development income tax may be imposed at a rate that exceeds by not more than twenty-five hundredths percent (0.25%) the maximum rate that would otherwise apply under this section; and

(2) the:

(A) county economic development income tax; and

(B) county option income tax or county adjusted gross income tax;

may be imposed at combined rates that exceed by not more than twenty-five hundredths percent (0.25%) the maximum combined rates that would otherwise apply under this section.

Except as provided in section 5.5 of this chapter, the additional rate imposed under this subsection may not exceed the amount necessary to mitigate the increased ad valorem property taxes on homesteads (as defined in IC 6-1.1-20.9-1 (repealed) before January 1, 2009, or IC 6-1.1-12-37 after December 31, 2008) or residential property (as defined in section 26 of this chapter), as appropriate under the ordinance adopted by the adopting body in the county, resulting from the deduction of the assessed value of inventory in the county under IC 6-1.1-12-41 or IC 6-1.1-12-42 or from the exclusion in 2008 of inventory from the definition of personal property in IC 6-1.1-1-11.

(p) If the county economic development income tax is imposed as authorized under subsection (o) at a rate that exceeds the maximum rate that would otherwise apply under this section, the certified distribution must be used for a purpose provided in section 26 of this chapter to the extent that the certified distribution results from the difference between:

(1) the actual county economic development tax rate; and

(2) the maximum rate that would otherwise apply under this section.

(q) This subsection applies only to a county described in section 27 of this chapter. Except as provided in subsection (o), in addition to the rates permitted by subsection (b), the:

(1) county economic development income tax may be imposed at a rate of twenty-five hundredths percent (0.25%); and

(2) county economic development income tax rate plus the county option income tax rate that are in effect on January 1 of a year may equal up to one and twenty-five hundredths percent (1.25%);

if the county council makes a determination to impose rates under this subsection and section 27 of this chapter.

(r) Except as provided in subsection (o), the county economic development income tax rate plus the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%) if the county has imposed the county adjusted gross income tax under IC 6-3.5-1.1-3.3.

(s) This subsection applies to Howard County. Except as provided in subsection (o), the sum of the county economic development income tax rate and the county option income tax rate that are in effect on January 1 of a year may not exceed one and twenty-five hundredths percent (1.25%).

(t) This subsection applies to Scott County. Except as provided in subsection (o), the sum of the county economic development income tax rate and the county option income tax rate that are in effect on January 1 of a year may not exceed one and twenty-five hundredths percent (1.25%).

(u) This subsection applies to Jasper County. Except as provided in subsection (o), the sum of the county economic development income tax rate and the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and five-tenths percent (1.5%).

(v) An additional county economic development income tax rate imposed under section 28 of this chapter may not be considered in calculating any limit under this section on the sum of:

(1) the county economic development income tax rate plus the county adjusted gross income tax rate; or

(2) the county economic development tax rate plus the county option income tax rate.

(w) The income tax rate limits imposed by subsection (c) or (x) or any other provision of this chapter do not apply to:

(1) a county adjusted gross income tax rate imposed under IC 6-3.5-1.1-24, IC 6-3.5-1.1-25, or IC 6-3.5-1.1-26; or

(2) a county option income tax rate imposed under IC 6-3.5-6-30, IC 6-3.5-6-31, or IC 6-3.5-6-32.

For purposes of computing the maximum combined income tax rate under subsection (c) or (x) or any other provision of this chapter that may be imposed in a county under IC 6-3.5-1.1, IC 6-3.5-6, and this chapter, a county's county adjusted gross income tax rate or county option income tax rate for a particular year does not include the county adjusted gross income tax rate imposed under IC 6-3.5-1.1-24, IC 6-3.5-1.1-25, or IC 6-3.5-1.1-26 or the county option income tax rate imposed under IC 6-3.5-6-30, IC 6-3.5-6-31, or IC 6-3.5-6-32.

(x) This subsection applies to Monroe County. Except as provided in subsection (o), if an ordinance is adopted under IC 6-3.5-6-33, the sum of the county economic development income tax rate and the county option income tax rate that are in effect on January 1 of a year may not exceed one and twenty-five hundredths percent (1.25%).

(y) This subsection applies to Perry County. Except as provided in subsection (o), if an ordinance is adopted under section 27.5 of this chapter, the county economic development income tax rate plus the county option income tax rate that is in effect on January 1 of a year may not exceed one and

seventy-five hundredths percent (1.75%).

(z) This subsection applies to Starke County. Except as provided in subsection (o), if an ordinance is adopted under section 27.6 of this chapter, the county economic development income tax rate plus the county adjusted gross income tax rate that is in effect on January 1 of a year may not exceed two percent (2%).

(aa) This subsection applies to Tipton County. Except as provided in subsection (o), the sum of the county economic development income tax rate and the county adjusted gross income tax rate that are in effect on January 1 of a year may not exceed one and sixty-five hundredths percent (1.65%).

SECTION 21. IC 6-7-1-17, AS AMENDED BY P.L.131-2008, SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 17. (a) Distributors who hold certificates and retailers shall be agents of the state in the collection of the taxes imposed by this chapter and the amount of the tax levied, assessed, and imposed by this chapter on cigarettes sold, exchanged, bartered, furnished, given away, or otherwise disposed of by distributors or to retailers. Distributors who hold certificates shall be agents of the department to affix the required stamps and shall be entitled to purchase the stamps from the department at a discount of one and two-tenths cents ($0.012) per individual package of cigarettes as compensation for their labor and expense.

(b) The department may permit distributors who hold certificates and who are admitted to do business in Indiana to pay for revenue stamps within thirty (30) days after the date of purchase. However, the privilege is extended upon the express condition that:

(1) except as provided in subsection (c), a bond or letter of credit satisfactory to the department, in an amount not less than the sales price of the stamps, is filed with the department;

(2) proof of payment is made of all property taxes, excise taxes, and listed taxes (as defined in IC 6-8.1-1-1) for which any such distributor may be liable; and

(3) payment for the revenue stamps must be made by electronic funds transfer (as defined in IC 4-8.1-2-7).

The bond, or letter of credit, conditioned to secure payment for the stamps, shall be executed by the distributor as principal and by a corporation duly authorized to engage in business as a surety company or financial institution in Indiana.

(c) If a distributor has at least five (5) consecutive years of good credit standing with the state, the distributor shall not be required to post a bond or letter of credit under subsection (b).

(d) A revenue stamp purchased by a distributor under this section remains the property of the state of Indiana with a value equivalent to the stamp's face value, until payment has been made in full, regardless of whether the stamp is affixed to a package of cigarettes.

SECTION 22. IC 6-8.1-4-5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 5. (a) The department may deny an application described in section 4(c) of this chapter if the applicant has had a registration revoked under section 4(f) of this chapter or any other applicable statute.**

(b) The department may deny an application described in section 4(c) of this chapter if the applicant's business is operated, managed, or otherwise controlled by or affiliated with a person, including the applicant, a relative, a family member, a responsible officer, or a shareholder, whom the department has determined is covered by any of the following:

(1) Has failed to file all tax returns or information reports with the department required under this title, IC 8, or IC 9.

(2) Has failed to pay all taxes, penalties, and interest required to the department under this title, IC 8, or IC 9.

(3) Has failed to pay any registration or license plate fees for vehicles that were at any point owned or operated by the person or for which the person was responsible for payment.

(4) Has failed to return a license plate for which a fee was not paid as described in subdivision (3) to the department.

(5) Has an unsatisfactory safety rating under 49 CFR Part 385.

(6) Has multiple violations of IC 9 or a rule adopted under IC 9.

(c) The department may deny any application described in section 4(c) of this chapter if the applicant is a motor carrier whose business is operated, managed, or otherwise controlled by or affiliated with a person, including an owner, a relative, a family member, a responsible officer, or a shareholder, whom the department has determined is covered by any item listed in subsection (b).

(d) If the applicant has altered a cab card or permit, the department shall bill the carrier automatically for the violation.

SECTION 23. IC 6-8.1-5-1, AS AMENDED BY P.L.172-2011, SECTION 86, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. (a) As used in this section, "letter of findings" includes a supplemental letter of findings.

(b) If the department reasonably believes that a person has not reported the proper amount of tax due, the department shall make a proposed assessment of the amount of the unpaid tax on the basis of the best information available to the department. The amount of the assessment is considered a tax payment not made by the due date and is subject to IC 6-8.1-10 concerning the imposition of penalties and interest. The department shall send the person a notice of the proposed assessment through the United States mail.

(c) ~~If the person has a surety bond guaranteeing payment of the tax for which the proposed assessment is made, the department shall furnish a copy of the proposed assessment to the surety.~~ The notice of proposed assessment is prima facie evidence that the department's claim for the unpaid tax is valid. The burden of proving that the proposed assessment is wrong rests with the person against whom the proposed assessment is made.

(d) The notice shall state that the person has forty-five (45) days from the date the notice is mailed, if the notice was mailed before January 1, 2011, and sixty (60) days from the date the notice is mailed, if the notice was mailed after December 31, 2010, to pay the assessment or to file a written protest. If the person files a protest and requires a hearing on the protest, the department shall:

(1) set the hearing at the department's earliest convenient time; and

(2) notify the person by United States mail of the time, date, and location of the hearing.

(e) The department may hold the hearing at the location of its choice within Indiana if that location complies with IC 6-8.1-3-8.5.

(f) ~~No later than sixty (60) days~~ After conducting a hearing on a protest, or after making a decision on a protest when no hearing is requested, the department shall issue a letter of findings and shall send a copy of the letter through the United States mail to the person who filed the protest and to the person's surety, if the surety was notified of the proposed assessment under subsection (b). The department may continue the hearing until a later date if the taxpayer presents additional information at the hearing or the taxpayer requests an opportunity to present additional information after the hearing.

(g) A person that disagrees with a decision in a letter of findings may request a rehearing not more than thirty (30) days

after the date on which the letter of findings is issued by the department. The department shall consider the request and may grant the rehearing if the department reasonably believes that a rehearing would be in the best interests of the taxpayer and the state.

(h) If a person disagrees with a decision in a letter of findings, the person may appeal the decision to the tax court. However, the tax court does not have jurisdiction to hear an appeal that is filed more than ~~sixty (60)~~ **ninety (90)** days after the date on which:

(1) the letter of findings is issued by the department, if the person does not make a timely request for a rehearing under subsection (g) on the letter of findings; or

(2) the department issues a denial of the person's timely request for a rehearing under subsection (g) on the letter of findings.

However, the ninety (90) day period may be extended by written agreement between the person and the department. The extension may not be longer than ninety (90) days. The extension agreement must specify the new termination date and the agreement of the person to preserve all records through the new termination date.

(i) The tax court shall hear an appeal under subsection (h) de novo and without a jury. The tax court may do the following:

(1) Uphold or deny any part of the assessment that is appealed.

(2) Assess the court costs in a manner that the court believes to be equitable.

(3) Enjoin the collection of a listed tax under IC 33-26-6-2.

(j) The department shall demand payment, as provided in IC 6-8.1-8-2(a), of any part of the proposed tax assessment, interest, and penalties that it finds owing because:

(1) the person failed to properly respond within the forty-five (45) day period;

(2) the person requested a hearing but failed to appear at that hearing; or

(3) after consideration of the evidence presented in the protest or hearing, the department finds that the person still owes tax.

(k) The department shall make the demand for payment in the manner provided in IC 6-8.1-8-2.

(l) Subsection (b) does not apply to a motor carrier fuel tax return.

SECTION 24. IC 6-8.1-6-1, AS AMENDED BY P.L.190-2014, SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. (a) This subsection does not apply to a person's Indiana adjusted gross income tax return or a person's financial institutions tax return. If a person responsible for filing a tax return is unable to file the return by the appropriate due date, the person may petition the department, before that due date, for a filing extension. When the department receives the petition, the department shall grant the person a sixty (60) day extension.

(b) If a person responsible for filing a tax return has received an extension of the due date and is still unable to file the return by the extended due date, the person may petition the department for another extension. The person must include in the petition a statement of the reasons for the person's inability to file the return by the due date. If the department finds that the person's petition is proper and that the person has good cause for requesting the extension, the department may extend the person's due date for any period that the department deems reasonable under the circumstances. The department may allow additional, successive extensions if the person properly petitions for the extension before the end of the person's current extension period.

(c) The following apply only to a person's Indiana adjusted gross income tax return or a person's financial institutions tax return:

(1) If the Internal Revenue Service allows a person an extension on the person's federal income tax return, the corresponding due dates for the person's Indiana income tax returns are automatically extended for the same period as the federal extension. ~~plus thirty (30) days.~~

(2) If a person petitions the department for a filing extension for the person's Indiana adjusted gross income tax return or financial institutions tax return without obtaining an extension for filing the person's federal income tax return, the department shall extend the person's due date for the person's Indiana adjusted gross income tax return or financial institutions tax return for the same period that the person would have been allowed under subdivision (1) if the person had been granted an extension by the Internal Revenue Service.

(d) A person submitting a petition for an extension under this section is not required to include any payment of tax with the petition. However, a person obtaining an extension under this section must pay at least ninety percent (90%) of the tax that is reasonably expected to be due on the original due date by that due date, or the person may be subject to the penalties imposed for failure to pay the tax.

(e) Any tax that remains unpaid during an extension period accrues interest at a rate established under IC 6-8.1-10-1 from the original due date, but that tax will not accrue any late payment penalties until the extension period has ended. Any penalties must be determined based on the amount of tax not paid on or before the end of the extension period after application of payments provided under IC 6-8.1-8-1.5 and determined as of the deadline of the extension period.

SECTION 25. IC 6-8.1-8-2, AS AMENDED BY P.L.293-2013(ts), SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. (a) Except as provided in IC 6-8.1-5-3 and sections 16 and 17 of this chapter, the department must issue a demand notice for the payment of a tax and any interest or penalties accrued on the tax, if a person files a tax return without including full payment of the tax or if the department, after ruling on a protest, finds that a person owes the tax before the department issues a tax warrant. The demand notice must state the following:

(1) That the person has ten (10) days from the date the department mails the notice to either pay the amount demanded or show reasonable cause for not paying the amount demanded.

(2) The statutory authority of the department for the issuance of a tax warrant.

(3) The earliest date on which a tax warrant may be filed and recorded.

(4) The statutory authority for the department to levy against a person's property that is held by a financial institution.

(5) The remedies available to the taxpayer to prevent the filing and recording of the judgment.

If the department files a tax warrant in more than one (1) county, the department is not required to issue more than one (1) demand notice.

(b) If the person does not pay the amount demanded or show reasonable cause for not paying the amount demanded within the ten (10) day period, the department may issue a tax warrant for the amount of the tax, interest, penalties, collection fee, sheriff's costs, clerk's costs, and fees established under section 4(b) of this chapter when applicable.

When the department issues a tax warrant, a collection fee of ten percent (10%) of the unpaid tax is added to the total amount due.

(c) When the department issues a tax warrant, it may not file the warrant with the circuit court clerk of any county in which the person owns property until at least twenty (20) days after the date the demand notice was mailed to the taxpayer. The department may also send the warrant to the sheriff of any

county in which the person owns property and direct the sheriff to file the warrant with the circuit court clerk:

(1) at least twenty (20) days after the date the demand notice was mailed to the taxpayer; and

(2) no later than five (5) days after the date the department issues the warrant.

(d) When the circuit court clerk receives a tax warrant from the department or the sheriff, the clerk shall record the warrant by making an entry in the judgment debtor's column of the judgment record, listing the following:

(1) The name of the person owing the tax.

(2) The amount of the tax, interest, penalties, collection fee, sheriff's costs, clerk's costs, and fees established under section 4(b) of this chapter when applicable.

(3) The date the warrant was filed with the clerk.

(e) When the entry is made, the total amount of the tax warrant becomes a judgment against the person owing the tax. The judgment creates a lien in favor of the state that attaches to all the person's interest in any:

(1) chose in action in the county; and

(2) real or personal property in the county;

excepting only negotiable instruments not yet due.

(f) A judgment obtained under this section is valid for ten (10) years from the date the judgment is filed. The department may renew the judgment for additional ten (10) year periods by filing an alias tax warrant with the circuit court clerk of the county in which the judgment previously existed.

(g) A judgment arising from a tax warrant in a county shall be released by the department:

(1) after the judgment, including all accrued interest to the date of payment, has been fully satisfied; or

(2) if the department determines that the tax assessment or the issuance of the tax warrant was in error.

(h) If the department determines that the filing of a tax warrant was in error **or if the commissioner determines that the release of the judgment and expungement of the tax warrant are in the best interest of the state,** the department shall mail a release of the judgment to the taxpayer and the circuit court clerk of each county where the warrant was filed. The circuit court clerk of each county where the warrant was filed shall expunge the warrant from the judgment debtor's column of the judgment record. The department shall mail the release and the order for the warrant to be expunged as soon as possible but no later than seven (7) days after:

(1) the determination by the department that the filing of the warrant was in error; and

(2) the receipt of information by the department that the judgment has been recorded under subsection (d).

(i) If the department determines that a judgment described in subsection (h) is obstructing a lawful transaction, the department shall immediately upon making the determination mail:

(1) a release of the judgment to the taxpayer; and

(2) an order requiring the circuit court clerk of each county where the judgment was filed to expunge the warrant.

(j) A release issued under subsection (h) or (i) must state that the filing of the tax warrant was in error. Upon the request of the taxpayer, the department shall mail a copy of a release and the order for the warrant to be expunged issued under subsection (h) or (i) to each major credit reporting company located in each county where the judgment was filed.

(k) The commissioner shall notify each state agency or officer supplied with a tax warrant list of the issuance of a release under subsection (h) or (i).

(l) If the sheriff collects the full amount of a tax warrant, the sheriff shall disburse the money collected in the manner provided in section 3(c) of this chapter. If a judgment has been partially or fully satisfied by a person's surety, the surety becomes subrogated to the department's rights under the judgment. If a sheriff releases a judgment:

(1) before the judgment is fully satisfied;

(2) before the sheriff has properly disbursed the amount collected; or

(3) after the sheriff has returned the tax warrant to the department;

the sheriff commits a Class B misdemeanor and is personally liable for the part of the judgment not remitted to the department.

(m) A lien on real property described in subsection (e)(2) is void if both of the following occur:

(1) The person owing the tax provides written notice to the department to file an action to foreclose the lien.

(2) The department fails to file an action to foreclose the lien not later than one hundred eighty (180) days after receiving the notice.

(n) A person who gives notice under subsection (m) by registered or certified mail to the department may file an affidavit of service of the notice to file an action to foreclose the lien with the circuit court clerk in the county in which the property is located. The affidavit must state the following:

(1) The facts of the notice.

(2) That more than one hundred eighty (180) days have passed since the notice was received by the department.

(3) That no action for foreclosure of the lien is pending.

(4) That no unsatisfied judgment has been rendered on the lien.

(o) Upon receipt of the affidavit described in subsection (n), the circuit court clerk shall make an entry showing the release of the judgment lien in the judgment records for tax warrants.

SECTION 26. IC 6-8.1-9-1, AS AMENDED BY P.L.137-2012, SECTION 109, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. (a) If a person has paid more tax than the person determines is legally due for a particular taxable period, the person may file a claim for a refund with the department. Except as provided in subsections ~~(f)~~ **(j)** and ~~(g),~~ **(k),** in order to obtain the refund, the person must file the claim with the department within three (3) years after the latter of the following:

(1) The due date of the return.

(2) The date of payment.

For purposes of this section, the due date for a return filed for the state gross retail or use tax, the gasoline tax, the special fuel tax, the motor carrier fuel tax, the oil inspection fee, or the petroleum severance tax is the end of the calendar year which contains the taxable period for which the return is filed. The claim must set forth the amount of the refund to which the person is entitled and the reasons that the person is entitled to the refund.

(b) After considering the claim and all evidence relevant to the claim, the department shall issue a decision on the claim, stating the part, if any, of the refund allowed and containing a statement of the reasons for any part of the refund that is denied. The department shall mail a copy of the decision to the person who filed the claim. If the person disagrees with a part of the decision **on the claim,** the person may file a protest and request a hearing with the department. ~~The department shall mail a copy of the decision to the person who filed the protest. If the department allows the full amount of the refund claim, a warrant for the payment of the claim is sufficient notice of the decision.~~

~~(c) If the person disagrees with any part of the department's decision, the person may appeal the decision, regardless of whether or not the person protested the tax payment or whether or not the person has accepted a refund. The person must file the appeal with the tax court. The tax court does not have jurisdiction to hear a refund appeal suit, if:~~

~~(1) the appeal is filed more than ninety (90) days after the later of the date the department mails:~~

~~(A) the decision of denial of the claim to the person; or~~

~~(B) the decision made on the protest filed under subsection (b); or~~

~~(2) the appeal is filed both before the decision is issued and before the one hundred eighty-first day after the date the person files the claim for refund with the department.~~

~~(d)~~ **(c)** The tax court shall hear the appeal de novo and without a jury, and after the hearing may order or deny any part of the appealed refund. The court may assess the court costs in any manner that it feels is equitable. The court may enjoin the collection of any of the listed taxes under IC 33-26-6-2. The court may also allow a refund of taxes, interest, and penalties that have been paid to and collected by the department.

(d) The decision on the claim must state that the person has sixty (60) days after the date the decision is mailed to file a written protest. If the person files a protest and requires a hearing on the protest, the department shall:

(1) set the hearing at the department's earliest convenient time; and

(2) notify the person by United States mail of the time, date, and location of the hearing.

(e) The department may hold the hearing at the location of its choice within Indiana if that location complies with IC 6-8.1-3-8.5.

(f) After conducting a hearing on a protest, or after making a decision on a protest when no hearing is requested, the department shall issue a memorandum of decision or order denying a refund and shall send a copy of the decision through the United States mail to the person who filed the protest. If the department allows the full amount of the refund claim, a warrant for the payment of the claim is sufficient notice of the decision. The department may continue the hearing until a later date if the taxpayer presents additional information at the hearing or the taxpayer requests an opportunity to present additional information after the hearing.

(g) A person that disagrees with a decision in a memorandum of decision or order denying a refund may request a rehearing not more than thirty (30) days after the date on which the memorandum of decision or order denying a refund is issued by the department. The department shall consider the request and may grant the rehearing if the department reasonably believes that a rehearing would be in the best interests of the taxpayer and the state.

(h) If a person disagrees with a decision in a memorandum of decision or order denying a refund, the person may appeal the decision to the tax court. However, the tax court does not have jurisdiction to hear an appeal that is filed more than ninety (90) days after the date on which:

(1) the memorandum of decision or order denying a refund is issued by the department if the person does not make a timely request for a rehearing under subsection (g) on the letter of findings; or

(2) the department issues a denial of the person's timely request for a rehearing under subsection (g) on the memorandum of decision or order denying a refund.

However, the ninety (90) day period may be extended by written agreement between the person and the department. The extension may not be longer than ninety (90) days. The extension agreement must specify the new termination date and the agreement of the person to preserve all records through the new termination date.

~~(e)~~ **(i)** With respect to the motor vehicle excise tax, this section applies only to penalties and interest paid on assessments of the motor vehicle excise tax. Any other overpayment of the motor vehicle excise tax is subject to IC 6-6-5.

~~(f)~~ **(j)** If a taxpayer's **federal taxable income, federal adjusted gross income, or** federal income tax liability for a taxable year is modified by the Internal Revenue Service, and the modification would result in a reduction of the tax legally due, the due date by which the taxpayer must file a claim for refund with the department is the later of:

(1) the date determined under subsection (a); or

(2) the date that is one hundred eighty (180) days after the date ~~on which the taxpayer is notified~~ of the modification by the Internal Revenue Service **as provided under:**

(A) IC 6-3-4-6(c) for the adjusted gross income tax; or

(B) IC 6-5.5-6-6(c) for the financial institutions tax.

~~(g)~~ **(k)** If an agreement to extend the assessment time period is entered into under IC 6-8.1-5-2(h), the period during which a person may file a claim for a refund under subsection (a) is extended to the same date to which the assessment time period is extended.

SECTION 27. IC 6-8.1-9-1.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1.2. Notwithstanding section ~~1(d)~~ **1(c)** of this chapter, if a taxpayer prevails in a complaint that is placed on the small claims docket under IC 33-26-5, the tax court shall order the refund of the taxpayer's filing fee under IC 33-26-9-1 from the state general fund.

SECTION 28. **An emergency is declared for this act.**

(Reference is to HB 1472 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 15, nays 5.

BROWN T, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred Senate Bill 62, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete everything after the enacting clause and insert the following:

SECTION 1. IC 20-32-5-2.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 2.1. (a) The department may waive inspection requirements under section 9(b)(2) of this chapter for purposes of administration of the 2015 ISTEP program. However, if the department waives inspection requirements for any questions on the 2015 ISTEP program, the department shall establish criteria to provide a student's parent the opportunity to inspect questions used as part of the 2015 ISTEP program in a manner that will not compromise the validity or integrity of the 2016 ISTEP program. The criteria established by the department under this section may include a requirement that the student's parent who inspects questions used as part of the 2015 ISTEP program under this section must enter into a confidentiality agreement with the department not to disclose questions inspected by the student's parent.**

(b) Nothing in this section may be construed to prohibit a parent from requesting a rescoring under section 2 of this chapter of a student's responses, including a student's essay, to an ISTEP program test administered in the spring of 2015.

(c) This section expires September 1, 2016.

SECTION 2. IC 20-32-5-9.1 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 9.1. (a) Notwithstanding section 2(3) of this chapter and 511 IAC 5-2-3(b)(3), the department may waive the administration of the social studies portion of ISTEP program during the 2015 administration of the ISTEP program.**

(b) This section expires January 1, 2016.

SECTION 3. **An emergency is declared for this act.**

(Reference is to SB 62 as printed January 16, 2015.)
and when so amended that said bill do pass.

Committee Vote: yeas 12, nays 0.

BEHNING, Chair

Report adopted.

The House recessed until the fall of the gavel.

RECESS

The House reconvened at 4:00 p.m. with the Speaker in the Chair.

Representative Cox, who had been excused, is now present.

REPORTS FROM COMMITTEES

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1044, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to HB 1044 as introduced.)

Committee Vote: Yeas 14, Nays 3.

BROWN T, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1110, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between line 1 and the enacting clause, begin a new paragraph and insert:

"SECTION 1. IC 33-23-5-5, AS AMENDED BY P.L.127-2008, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. A magistrate may do any of the following:

(1) Administer an oath or affirmation required by law.
(2) Solemnize a marriage.
(3) Take and certify an affidavit or deposition.
(4) Order that a subpoena be issued in a matter pending before the court.
(5) Compel the attendance of a witness.
(6) Punish contempt.
(7) Issue a warrant.
(8) Set bail.
(9) Enforce court rules.
(10) Conduct a preliminary, an initial, an omnibus, or other pretrial hearing.
(11) Conduct an evidentiary hearing or trial.
(12) Receive a jury's verdict.
(13) Verify a certificate for the authentication of records of a proceeding conducted by the magistrate.
(14) Enter a final order, conduct a sentencing hearing, and impose a sentence on a person convicted of a criminal offense as described in section 9 of this chapter.
(15) Enter a final order or judgment in any proceeding involving matters specified in IC 33-29-2-4 (jurisdiction of small claims docket) or IC 34-26-5 (protective orders to prevent domestic or family violence).
(16) Approve and accept criminal plea agreements.
(17) Approve agreed settlements concerning civil matters.
(18) Approve:
(A) decrees of dissolution;
(B) settlement agreements; and
(C) any other agreements;
of the parties in domestic relations actions or paternity actions.".

Page 1, after line 9, begin a new paragraph and insert:

"SECTION 4. IC 33-33-28-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. **(a)** Greene County constitutes the sixty-third judicial circuit.

(b) The judge of the Greene circuit court and the judge of the Greene superior court may jointly appoint one (1) full-time magistrate under IC 33-23-5 to serve the circuit and superior courts.

(c) The magistrate continues in office until jointly removed by the judge of the Greene circuit court and the judge of the Greene superior court.

SECTION 3. IC 33-33-49-32, AS AMENDED BY P.L.100-2013, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 32. (a) In addition to the magistrate appointed under section 31 of this chapter, the judges of the superior court may, by a vote of a majority of the judges, appoint:

~~(1) eight (8) full-time magistrates under IC 33-23-5 after December 31, 2007, and until January 1, 2014, not more than four (4) of whom may be from the same political party; and~~
~~(2)~~ **(1)** twelve (12) full-time magistrates under IC 33-23-5 after December 31, 2013, **and until January 1, 2016,** not more than six (6) of whom may be from the same political party; **and**
(2) sixteen (16) full-time magistrates under IC 33-23-5 after December 31, 2015, not more than eight (8) of whom may be from the same political party.

(b) The magistrates continue in office until removed by the vote of a majority of the judges of the court.

(c) A party to a superior court proceeding that has been assigned to a magistrate appointed under this section may request that an elected judge of the superior court preside over the proceeding instead of the magistrate to whom the proceeding has been assigned. A request under this subsection must be in writing and must be filed with the court:

(1) in a civil case, not later than:
(A) ten (10) days after the pleadings are closed; or
(B) thirty (30) days after the case is entered on the chronological case summary, in a case in which the defendant is not required to answer; or
(2) in a criminal case, not later than ten (10) days after the omnibus date.

Upon a timely request made under this subsection by either party, the magistrate to whom the proceeding has been assigned shall transfer the proceeding back to the superior court judge.

SECTION 5. IC 33-33-82-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 3. **(a)** The judge of the Vanderburgh circuit court may appoint ~~one (1)~~ **two (2)** full-time ~~magistrate~~ **magistrates** under IC 33-23-5. ~~The~~

(b) A magistrate continues in office until removed by the judge.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1110 as printed January 23, 2015.)
and when so amended that said bill do pass.

Committee Vote: yeas 15, nays 0.

BROWN T, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, to which was referred House Bill 1203, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 7.1-3-2-7, AS AMENDED BY P.L.71-2012, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 7. The holder of a brewer's permit or an out-of-state brewer holding either a primary source of supply permit or an out-of-state brewer's permit may do the following:

(1) Manufacture beer.

(2) Place beer in containers or bottles.

(3) Transport beer.

(4) Sell and deliver beer to a person holding a beer wholesaler's permit issued under IC 7.1-3-3.

(5) If the brewer's brewery manufactures not more than thirty thousand (30,000) barrels of beer in a calendar year for sale or distribution within Indiana, the permit holder may do the following:

(A) Sell and deliver beer to a person holding a retailer or a dealer permit under this title.

(B) Be the proprietor of a restaurant.

(C) Hold a beer retailer's permit, a wine retailer's permit, or a liquor retailer's permit for a restaurant established under clause (B).

(D) Transfer beer directly from the brewery to the restaurant by means of:

(i) bulk containers; or

(ii) a continuous flow system.

(E) Install a window between the brewery and an adjacent restaurant that allows the public and the permittee to view both premises.

(F) Install a doorway or other opening between the brewery and an adjacent restaurant that provides the public and the permittee with access to both premises.

(G) Sell the brewery's beer by the glass for consumption on the premises. Brewers permitted to sell beer by the glass under this clause must furnish the minimum food requirements prescribed by the commission.

(H) Sell and deliver beer to a consumer at the permit premises of the brewer or at the residence of the consumer. The delivery to a consumer may be made only in a quantity at any one (1) time of not more than one-half (1/2) barrel, but the beer may be contained in bottles or other permissible containers.

(I) Sell the brewery's beer as authorized by this section for carryout on Sunday in a quantity at any one (1) time of not more than five hundred seventy-six (576) ounces. A brewer's beer may be sold under this clause at any address for which the brewer holds a brewer's permit issued under this chapter if the address is located within the same city boundaries in which the beer was manufactured.

(J) With the approval of the commission, participate:

(i) individually; or

(ii) with other permit holders under this chapter; in a trade show or an exposition at which products of each permit holder participant are displayed, promoted, and sold. The commission may not grant to a holder of a permit under this chapter approval under this clause to participate in a trade show or exposition for more than forty-five (45) days in a calendar year.

(6) If the brewer's brewery manufactures more than thirty thousand (30,000) barrels of beer in a calendar year for sale or distribution within Indiana, the permit holder may own a portion of the corporate stock of another brewery that:

(A) is located in the same county as the brewer's brewery;

(B) manufactures less than thirty thousand (30,000) barrels of beer in a calendar year; and

(C) is the proprietor of a restaurant that operates under subdivision (5).

(7) Provide complimentary samples of beer that are:

(A) produced by the brewer; and

(B) offered to consumers for consumption on the brewer's premises.

(8) Own a portion of the corporate stock of a sports corporation that:

(A) manages a minor league baseball stadium located in the same county as the brewer's brewery; and

(B) holds a beer retailer's permit, a wine retailer's permit, or a liquor retailer's permit for a restaurant located in that stadium.

(9) For beer described in IC 7.1-1-2-3(a)(4):

(A) may allow transportation to and consumption of the beer on the licensed premises; and

(B) may not sell, offer to sell, or allow sale of the beer on the licensed premises.".

Page 1, line 4, delete "7(5)" and insert "**7(5)(J)**".

Page 1, line 5, delete "festival;" and insert "**trade show or exposition;**".

Page 1, line 7, delete "IC 7.1-3-12-5" and insert "**IC 7.1-3-12-5(a)(12)**".

Page 1, line 7, delete "festival;" and insert "**trade show or exposition;**".

Page 2, between lines 1 and 2, begin a new paragraph and insert:

"SECTION 4. IC 7.1-3-12-5, AS AMENDED BY P.L.186-2011, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. (a) The holder of a farm winery permit:

(1) is entitled to manufacture wine and to bottle wine produced by the permit holder's farm winery;

(2) is entitled to serve complimentary samples of the winery's wine on the licensed premises or an outside area that is contiguous to the licensed premises as approved by the commission if each employee who serves wine on the licensed premises:

(A) holds an employee permit under IC 7.1-3-18-9; and

(B) completes a server training program approved by the commission;

(3) is entitled to sell the winery's wine on the licensed premises to consumers either by the glass, or by the bottle, or both;

(4) is entitled to sell the winery's wine to consumers by the bottle at a farmers' market that is operated on a nonprofit basis;

(5) is entitled to sell wine by the bottle or by the case to a person who is the holder of a permit to sell wine at wholesale;

(6) is exempt from the provisions of IC 7.1-3-14;

(7) is entitled to advertise the name and address of any retailer or dealer who sells wine produced by the permit holder's winery;

(8) for wine described in IC 7.1-1-2-3(a)(4):

(A) may allow transportation to and consumption of the wine on the licensed premises; and

(B) may not sell, offer to sell, or allow the sale of the wine on the licensed premises;

(9) is entitled to purchase and sell bulk wine as set forth in this chapter;

(10) is entitled to sell wine as authorized by this section for carryout on Sunday; ~~and~~

(11) is entitled to sell and ship the farm winery's wine to a person located in another state in accordance with the laws of the other state; **and**

(12) is entitled:

(A) to serve complimentary samples of the winery's

wine; and

(B) sell the winery's wine;

at a trade show or exposition.

(b) With the approval of the commission, a holder of a permit under this chapter may conduct business at not more than three (3) additional locations that are separate from the winery. At the additional locations, the holder of a permit may conduct any business that is authorized at the first location, except for the manufacturing or bottling of wine.

(c) With the approval of the commission, a holder of a permit under this chapter may, individually or with other permit holders under this chapter, participate in a trade show or an exposition at which products of each permit holder participant are displayed, promoted, and sold. The commission may not grant approval under this subsection to a holder of a permit under this chapter for more than forty-five (45) days in a calendar year.".

Page 2, line 6, delete "IC 7.1-3-2-7(5)" and insert "**IC 7.1-3-2-7(5)(J)**".

Page 2, line 7, delete "festival;" and insert "**trade show or exposition;**".

Page 2, line 8, delete "5" and insert "**5(a)(12)**".

Page 2, line 9, delete "festival;" and insert "**trade show or exposition;**".

Renumber all SECTIONS consecutively.

(Reference is to HB 1203 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 0.

DERMODY, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1425, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 1 through 15.

Page 2, delete lines 1 through 27.

Page 3, delete lines 11 through 24, begin a new paragraph and insert:

"SECTION 3. IC 33-37-5-21, AS AMENDED BY P.L.284-2013, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 21. (a) This section applies to all civil, criminal, infraction, and ordinance violation actions.

(b) The clerk shall collect an automated record keeping fee of:

(1) ~~seven~~ **nine** dollars ~~($7)~~ **($9)** ~~after June 30, 2013, and before July 1, 2015,~~ in all actions except actions described in subdivision (2); **and**

(2) five dollars ($5) ~~after June 30, 2013, and before July 1, 2015,~~ with respect to actions resulting in the accused person entering into a:

(A) pretrial diversion program agreement under IC 33-39-1-8; or

(B) deferral program agreement under IC 34-28-5-1. ~~and~~

~~(3) five dollars ($5) after June 30, 2015.~~".

Page 3, line 28, reset in roman "for deposit in the".

Page 3, reset in roman lines 29 through 33.

Page 4, line 21, delete ".".

Page 4, line 21, reset in roman "not distributed".

Page 4, reset in roman line 22.

Page 7, line 39, reset in roman "for".

Page 7, reset in roman lines 40 through 42.

Page 8, reset in roman lines 1 through 2.

Page 8, line 3, reset in roman "agreement under IC 34-28-5-1 and".

Page 8, line 41, delete ".".

Page 8, line 41, reset in roman "not distributed under".

Page 8, reset in roman line 42.

Renumber all SECTIONS consecutively.

(Reference is to HB 1425 as printed February 6, 2015.)

and when so amended that said bill do pass.

Committee Vote: yeas 14, nays 2.

BROWN T, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Government and Regulatory Reform, to which was referred House Bill 1433, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 1 through 14, begin a new paragraph and insert:

"SECTION 1. IC 3-5-9-4, AS ADDED BY P.L.135-2012, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 4. ~~(a) An individual who is serving as a volunteer firefighter for a volunteer fire department or a fire department that provides fire protection services to a unit:~~

~~(1) under a contract, excluding a mutual aid agreement; or~~

~~(2) as the unit's fire department;~~

~~may not assume or hold an elected office of a unit that receives fire protection services from the department in which the volunteer firefighter serves.~~

~~(b)~~ An individual who

~~(1)~~ is an employee of a unit, serving as a full-time, paid firefighter ~~or~~

~~(2) serves as a volunteer firefighter;~~

in a department that provides fire protection services to more than one (1) unit, excluding fire protection services provided under mutual aid agreements, may not assume or hold an elected office of any unit that receives fire protection services from the department.

SECTION 2. IC 3-5-9-6, AS ADDED BY P.L.135-2012, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 6. This chapter does not prohibit:

(1) a government employee from assuming or holding an elected office of a unit other than the unit that employs the government employee;

(2) a full-time, paid firefighter ~~or volunteer firefighter~~ from assuming or holding an elected office of a unit other than a unit that receives fire protection services from the department in which the ~~volunteer~~ firefighter serves; or

(3) an individual who assumes or holds an elected office from also being appointed to and serving on a board, commission, or committee of the unit.

SECTION 3. IC 3-5-9-7, AS ADDED BY P.L.135-2012, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 7. (a) Notwithstanding sections 4 and 5 of this chapter,

~~(1) a volunteer firefighter who assumes or holds an elected office on January 1, 2013, may continue to hold the elected office and serve as a volunteer firefighter; and~~

~~(2)~~ a government employee who assumes or holds an elected office on January 1, 2013, may continue to hold the elected office and be employed as a government employee

until the term of the elected office that the ~~volunteer firefighter or~~ government employee is serving on January 1, 2013, expires.

~~(b) After the expiration of the term of the elected office that the volunteer firefighter referred to in subsection (a) is serving on January 1, 2013, the volunteer firefighter is subject to section 4 of this chapter with respect to serving as a volunteer firefighter~~

~~and assuming or holding an elected office of the unit that receives fire protection services from the department in which the volunteer firefighter serves.~~

~~(c)~~ **(b)** After the expiration of the term of the elected office that the government employee referred to in subsection (a) is serving on January 1, 2013, the government employee is subject to section 5 of this chapter with respect to assuming or holding an elected office and being employed by the unit that employs the government employee.

SECTION 4. IC 6-1.1-17-3.5, AS AMENDED BY P.L.257-2013, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 3.5. (a) This section does not apply to taxing units located in a county in which a county board of tax adjustment reviews budgets, tax rates, and tax levies. This section does not apply to a taxing unit that has its proposed budget and proposed property tax levy approved under section 20, **20.2,** or 20.3 of this chapter or IC 36-3-6-9.

(b) This section applies to a taxing unit other than a county. Except as provided in section 3.7 of this chapter, if a taxing unit will impose property taxes due and payable in the ensuing calendar year, the taxing unit shall file the following information in the manner prescribed by the department of local government finance with the fiscal body of the county in which the taxing unit is located:

(1) A statement of the proposed or estimated tax rate and tax levy for the taxing unit for the ensuing budget year.

(2) In the case of a taxing unit other than a school corporation, a copy of the taxing unit's proposed budget for the ensuing budget year.

(c) In the case of a taxing unit located in more than one (1) county, the taxing unit shall file the information under subsection (b) with the fiscal body of the county in which the greatest part of the taxing unit's net assessed valuation is located.

(d) A taxing unit must file the information under subsection (b) before September 2 of a year.

(e) A county fiscal body shall complete the following in a manner prescribed by the department of local government finance before October 2 of a year:

(1) Review any proposed or estimated tax rate or tax levy filed by a taxing unit with the county fiscal body under this section.

(2) In the case of a taxing unit other than a school corporation, review any proposed or estimated budget filed by a taxing unit with the county fiscal body under this section.

(3) In the case of a taxing unit other than a school corporation, issue a nonbinding recommendation to a taxing unit regarding the taxing unit's proposed or estimated tax rate or tax levy or proposed budget.

(f) The recommendation under subsection (e) must include a comparison of any increase in the taxing unit's budget or tax levy to:

(1) the average increase in Indiana nonfarm personal income for the preceding six (6) calendar years and the average increase in nonfarm personal income for the county for the preceding six (6) calendar years; and

(2) increases in the budgets and tax levies of other taxing units in the county.

(g) The department of local government finance must provide each county fiscal body with the most recent available information concerning increases in Indiana nonfarm personal income and increases in county nonfarm personal income.

(h) If a taxing unit fails to file the information required by subsection (b) with the fiscal body of the county in which the taxing unit is located by the time prescribed in subsection (d), the most recent annual appropriations and annual tax levy of that taxing unit are continued for the ensuing budget year.

(i) If a county fiscal body fails to complete the requirements of subsection (e) before the deadline in subsection (e) for any taxing unit subject to this section, the most recent annual appropriations and annual tax levy of the county are continued for the ensuing budget year.

SECTION 5. IC 6-1.1-17-20.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 20.2. (a) This section applies only to a unit in which the unit's executive or member of the unit's fiscal body serves as a volunteer firefighter for a volunteer fire department or a fire department that provides fire protection services to the unit in which the individual holds the elected office, under a contract (excluding a mutual aid agreement) or as the unit's fire department.**

(b) As used in this section, "unit" means a city, town, or township in a county not having a consolidated city.

(c) After the unit's fiscal body has adopted the unit's budget, the unit's fiscal body must submit its budget and property tax levies to the county fiscal body of the county in which the unit is located. The budget and property tax levies must be submitted to the county fiscal body according to a schedule adopted by the department of local government finance.

(d) The county fiscal body shall review the unit's budget and property tax levies and adopt a final budget and final property tax levies for the unit. The county fiscal body may reduce or modify, but not increase, the unit's budget and property tax levies.

(e) If a unit's fiscal body fails to submit the unit's budget and property tax levies as required in subsection (c) with the county fiscal body by the time prescribed in the schedule adopted by the department of local government finance, the most recent annual appropriations and annual tax levy of the unit are continued for the ensuing budget year.

(f) If the county fiscal body fails to complete the requirements of subsection (c) before the adoption deadline under section 5 of this chapter for the unit, the most recent annual appropriations and annual tax levy of the unit are continued for the ensuing budget year.

(g) A county fiscal body member who is a volunteer firefighter serving in the fire department in which the executive or member of the fiscal body is also a volunteer firefighter may not participate in a vote on the adoption of the unit's budget and tax levies.

(h) If at least a majority of the members of the county fiscal body that approve the unit's budget are volunteer firefighters serving in the fire department in which the unit's executive or fiscal body member is also serving as a volunteer firefighter, the unit's most recent annual appropriations are continued for the ensuing budget year. However, the county fiscal body may adopt any additional appropriations of the unit by ordinance before the department of local government finance may approve the additional appropriation.

SECTION 6. IC 6-1.1-18-5, AS AMENDED BY P.L.137-2012, SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. (a) If the proper officers of a political subdivision desire to appropriate more money for a particular year than the amount prescribed in the budget for that year as finally determined under this article, they shall give notice of their proposed additional appropriation. The notice shall state the time and place at which a public hearing will be held on the proposal. The notice shall be given once in accordance with IC 5-3-1-2(b).

(b) If the additional appropriation by the political subdivision is made from a fund that receives:

(1) distributions from the motor vehicle highway account established under IC 8-14-1-1 or the local road and street account established under IC 8-14-2-4; or

(2) revenue from property taxes levied under IC 6-1.1;

the political subdivision must report the additional appropriation to the department of local government finance. If the additional appropriation is made from a fund described under this subsection, subsections (f), (g), (h), and (i) apply to the political subdivision.

(c) However, if the additional appropriation is not made from a fund described under subsection (b), subsections (f), (g), (h), and (i) do not apply to the political subdivision. Subsections (f), (g), (h), and (i) do not apply to an additional appropriation made from the cumulative bridge fund if the appropriation meets the requirements under IC 8-16-3-3(c).

(d) A political subdivision may make an additional appropriation without approval of the department of local government finance if the additional appropriation is made from a fund that is not described under subsection (b). However, the fiscal officer of the political subdivision shall report the additional appropriation to the department of local government finance.

(e) After the public hearing, the proper officers of the political subdivision shall file a certified copy of their final proposal and any other relevant information to the department of local government finance.

(f) When the department of local government finance receives a certified copy of a proposal for an additional appropriation under subsection (e), the department shall determine whether sufficient funds are available or will be available for the proposal. The determination shall be made in writing and sent to the political subdivision not more than fifteen (15) days after the department of local government finance receives the proposal.

(g) In making the determination under subsection (f), the department of local government finance shall limit the amount of the additional appropriation to revenues available, or to be made available, which have not been previously appropriated.

(h) If the department of local government finance disapproves an additional appropriation under subsection (f), the department shall specify the reason for its disapproval on the determination sent to the political subdivision.

(i) A political subdivision may request a reconsideration of a determination of the department of local government finance under this section by filing a written request for reconsideration. A request for reconsideration must:

(1) be filed with the department of local government finance within fifteen (15) days of the receipt of the determination by the political subdivision; and

(2) state with reasonable specificity the reason for the request.

The department of local government finance must act on a request for reconsideration within fifteen (15) days of receiving the request.

(j) This subsection applies to an additional appropriation by a political subdivision that must have the political subdivision's annual appropriations and annual tax levy adopted by a city, town, or county fiscal body under IC 6-1.1-17-20, **IC 6-1.1-17-20.2,** or by a legislative or fiscal body under IC 36-3-6-9. The fiscal or legislative body of the city, town, or county that adopted the political subdivision's annual appropriation and annual tax levy must adopt the additional appropriation by ordinance before the department of local government finance may approve the additional appropriation.

(k) This subsection applies to a public library that:

(1) is required to submit the public library's budgets, tax rates, and tax levies for nonbinding review under IC 6-1.1-17-3.5; and

(2) is not required to submit the public library's budgets, tax rates, and tax levies for binding review and approval under IC 6-1.1-17-20.

If a public library subject to this subsection proposes to make an additional appropriation for a year, and the additional appropriation would result in the budget for the library for that year increasing (as compared to the previous year) by a percentage that is greater than the result of the assessed value growth quotient determined under IC 6-1.1-18.5-2 for the calendar year minus one (1), the additional appropriation must first be approved by the city, town, or county fiscal body described in IC 6-1.1-17-20.3(c) or IC 6-1.1-17-20(d), as appropriate.".

Delete pages 2 through 25.

Page 26, delete lines 1 through 23.

Page 26, line 42, delete "A" and insert "**An excluded city (as described in IC 36-3-1-7) or a**".

Page 26, line 42, delete "to" and insert "**in**".

Page 26, line 42, delete "section 9.5 of this chapter applies." and insert "**the executive or a member of the fiscal body serves as a volunteer firefighter for a volunteer fire department or a fire department that provides fire protection services:**

(A) to the excluded city (as described in IC 36-3-1-7) or township in which the individual holds the elected office; and

(B) under a contract (excluding a mutual aid agreement) or as the unit's fire department.".

Page 27, line 20, delete "If" and insert "**Except as provided in subsection (d),** if".

Page 27, delete lines 29 through 42, begin a new paragraph and insert:

"**(e) An excluded city or township under subsection (a)(7) must submit its budget and tax levies to the county fiscal body according to a schedule adopted by the department of local government finance. If the excluded city or township fails to submit its budget and property tax levies in accordance with the department of local government finance's schedule, the most recent annual appropriations and annual tax levy of the excluded city or township are continued for the ensuing budget year. If the county fiscal body fails to finally adopt the budget or tax levies by the adoption deadline in IC 6-1.1-17-5, the most recent annual appropriations and annual tax levy of the excluded city or township are continued for the ensuing budget year.**

(f) A county fiscal body member who is a volunteer firefighter serving in the fire department in which the executive or fiscal body member of the excluded city or township is also a volunteer firefighter may not participate in a vote on the adoption of the budget and tax levies of the excluded city or township.

(g) If at least a majority of the members of the county fiscal body that approve the budget and tax levies of the excluded city or township are volunteer firefighters serving in the fire department in which the executive or fiscal body member is also serving as a volunteer firefighter, the excluded city's or township's most recent annual appropriations are continued for the ensuing budget year. However, the county fiscal body may adopt any additional appropriations of the excluded city or township by ordinance before the department of local government finance may approve the additional appropriation.".

Delete pages 28 through 50.

Renumber all SECTIONS consecutively.

(Reference is to HB 1433 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 0.

MAHAN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Government and Regulatory Reform, to which was referred House Bill 1508, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill

be amended as follows:

Page 2, line 32, delete "receives" and insert "**records an approved**".

Page 2, line 33, delete "approval".

Page 2, line 34, after "before" insert "**a**".

Page 2, line 35, delete "approval" and insert "**is recorded**".

Page 2, delete lines 38 through 39.

Page 2, line 40, delete "(3)" and insert "**(2)**".

Page 2, line 41, delete "ten percent (10%)" and insert "**twenty percent (20%)**".

Page 2, line 41, after "the" insert "**engineer's estimate or**".

Page 2, line 42, delete "cost" and insert "**contract amount, when available,**".

Page 2, line 42, after "item;" insert "**or**".

Page 3, delete lines 1 through 3.

Page 3, line 4, delete "(C)" and insert "**(B)**".

Page 3, line 4, delete "the following:" and insert "**three (3) years.**".

Page 3, delete lines 5 through 6.

Page 3, line 7, delete "Upon filing of a plat for secondary approval," and insert "**After a secondary plat is recorded,**".

Page 3, line 12, after "mains," insert "**sidewalks, landscaping,**".

Page 3, line 31, delete "." and insert "**if the person or entity to whom the duty is being delegated has acquired, or will acquire, a majority of the parcels or lots within the area under development.**".

Page 3, line 34, after "subsection." insert "**A local unit may require a land developer to provide notice to the local unit if the land developer has delegated its duty to obtain a performance bond or maintenance bond as provided in this section.**".

Page 3, line 36, delete "may not:" and insert "**:**

(1) must be based on a value provided for in an engineer's estimate or an actual contract amount, if available, to complete:".

Page 3, delete lines 37 through 41.

Page 4, line 3, delete "**or**".

Page 4, between lines 3 and 4, begin a new line, block indented and insert:

"**(2) may be based on an amount in excess of the full value of the engineer's estimate or actual contract amount, as appropriate, provided that any excess amount is based upon a reasonable adjustment for the estimated cost of inflation or materials and labor encompassed within the subject matter of the performance bond or other surety; and**".

Page 4, line 4, delete "(2)" and insert "**(3) may not**".

(Reference is to HB 1508 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 0.

MAHAN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Government and Regulatory Reform, to which was referred House Bill 1561, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between lines 11 and 12, begin a new paragraph and insert:

"SECTION 2. IC 36-4-3-1.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1.5. **(a)** For purposes of this chapter, territory sought to be annexed may be considered "contiguous" only if at least one-eighth (1/8) of the aggregate external boundaries of the territory coincides with the boundaries of the annexing municipality. In determining if a territory is contiguous, a strip of land:

(1) less than one hundred fifty (150) feet wide which connects the annexing municipality to the territory is not considered a part of the boundaries of either the municipality or the territory; **or**

(2) containing a public highway or rights of way of a public highway which connects the annexing municipality to noncontiguous territory is not considered a part of the boundaries of either the municipality or the territory unless the requirements of subsections (b)(1) or (b)(2) are met.

(b) Any public highway or rights of way of a public highway that is annexed by a municipality is not considered a part of the municipality for purposes of annexing additional territory unless one (1) of the following requirements is met:

(1) The municipality obtains the written consent of all owners of any property:

(A) adjoining the entire length of the public highway and rights of way of the public highway; and

(B) located outside the corporate boundaries of the annexing municipality;

to annex additional territory. A waiver of the right of remonstrance executed by a property owner or a successor in title of the property owner for sewer services or water services does not constitute written consent to annex additional territory.

(2) The entire length of the public highway or rights of way of the public highway is:

(A) a part of the boundaries of the municipality; and

(B) adjacent to or contiguous to parcels of property that are within the boundaries of the municipality.

(3) As part of one (1) annexation ordinance, the municipality annexes:

(A) the public highway and rights of way of the public highway; and

(B) all parcels of property that are adjacent to or contiguous to the public highway or rights of way of the public highway.

An annexation ordinance that uses a public highway or rights of way of a public highway to annex additional territory without satisfying one (1) of the requirements of this subsection is void.".

Page 2, between lines 19 and 20, begin a new paragraph and insert:

"**(c) The municipality shall provide notice of the dates, times, and locations of the outreach program meetings. The municipality shall publish the notice under IC 5-3-1 of the meetings, including the date, time, and location of the meetings, except that notice must be published not later than thirty (30) days before the date of each meeting. The municipality shall also send notice to each owner of land within the annexation territory not later than thirty (30) days before the date of the first meeting of the outreach program. The notice to landowners shall be sent by mail or certified mail and include the following information:**

(1) The notice shall inform the landowner that the municipality is proposing to annex territory that includes the landowner's property.

(2) The municipality is conducting an outreach program for the purpose of providing information to landowners and the public regarding the proposed annexation.

(3) The date, time, and location of the meetings to be conducted under the outreach program.

(d) The notice shall be sent to the address of the landowner as listed on the tax duplicate. If the municipality provides evidence that the notice was sent by certified mail, return receipt requested, and in accordance with this section, it is not necessary that the landowner accept receipt

of the notice. If a remonstrance is filed under section 11 of this chapter, the municipality shall file with the court proof that notices were sent to landowners under this section and proof of publication.

(e) The notice required under this section is in addition to any notice required under sections 2.1 and 2.2 of this chapter.

SECTION 3. IC 36-4-3-2.2, AS AMENDED BY P.L.69-2010, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2.2. (a) This section does not apply to an annexation under section 4(a)(2), 4(a)(3), 4(b), **or** 4(h) ~~or 4.1~~ of this chapter or an annexation described in section 5.1 of this chapter.

(b) Before a municipality may annex territory, the municipality shall provide written notice of the hearing required under section 2.1 of this chapter. Except as provided in subsection (f), the notice must be sent by certified mail at least sixty (60) days before the date of the hearing to each owner of real property, as shown on the county auditor's current tax list, whose real property is located within the territory proposed to be annexed.

(c) For purposes of an annexation of territory described in section 2.5 of this chapter, if the hearing required under section 2.1 of this chapter is conducted after June 30, 2010, the notice required by this section must also be sent to each owner of real property, as shown on the county auditor's current tax list, whose real property is adjacent to contiguous areas of rights-of-way of the public highway that are only included in the annexation of territory by operation of IC 36-4-3-2.5 on the side of the public highway that is not part of the annexed territory.

(d) The notice required by this section must include the following:

(1) A legal description of the real property proposed to be annexed.

(2) The date, time, location, and subject of the hearing.

(3) A map showing the current municipal boundaries and the proposed municipal boundaries.

(4) Current zoning classifications for the area proposed to be annexed and any proposed zoning changes for the area proposed to be annexed.

(5) A detailed summary of the fiscal plan, **if applicable,** described in section 13 of this chapter.

(6) The location where the public may inspect and copy the fiscal plan, **if applicable.**

(7) A statement that the municipality will provide a copy of the fiscal plan, **if applicable,** after the fiscal plan is adopted immediately to any landowner in the annexed territory who requests a copy.

(8) The name and telephone number of a representative of the municipality who may be contacted for further information.

(e) If the municipality complies with this section, the notice is not invalidated if the owner does not receive the notice.

(f) This subsection applies to an annexation under section 3 or 4 of this chapter in which all property owners within the area to be annexed provide written consent to the annexation. The written notice described in this section must be sent by certified mail not later than twenty (20) days before the date of the hearing to each owner of real property, as shown on the county auditor's current tax list, whose real property is located within the territory proposed to be annexed.".

Page 2, line 24, after "(b)" insert "**This subsection applies only to an annexation ordinance adopted before July 1, 2015.**".

Page 2, line 28, delete "After June 30,".

Page 2, delete lines 29 through 42, begin a new paragraph and insert:

"**(c) This subsection applies only to an annexation ordinance adopted after June 30, 2015. Territory annexed under this section is exempt from all property tax liability under IC 6-1.1 for municipal purposes for all parts of the annexed territory that are used for agricultural purposes and remains exempt from the property tax liability while the property's use remains agricultural.**".

Page 3, delete line 1.

Page 3, line 2, strike "(c)" and insert "**(d)**".

Page 3, line 5, strike "(d)" and insert "**(e)**".

Page 3, between lines 9 and 10, begin a new paragraph and insert:

"SECTION 5. IC 36-4-3-4.2 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 4.2. (a) As used in this section, "economic development project" means any project that:**

(1) a municipality determines will:

(A) promote significant opportunities for the gainful employment of its citizens;

(B) attract a major new business enterprise to the municipality; or

(C) retain or expand a significant business enterprise within the municipality; and

(2) involves expenditures by the annexing municipality for any of the following:

(A) Land acquisition, interests in land, site improvements, infrastructure improvements, buildings, or structures.

(B) Rehabilitation, renovation, and enlargement of buildings and structures.

(C) Machinery, equipment, furnishings, or facilities.

(D) Substance removal or remedial action.

(b) A municipality may annex noncontiguous territory that is entirely occupied by an economic development project, only if all of the following requirements are satisfied:

(1) The economic development project is developed by the annexing municipality.

(2) The economic development project:

(A) only involves commercial or industrial use of land; and

(B) does not involve any residential use of land.

(3) The economic development project has its entire area not more than one (1) mile from the annexing municipality's boundary.

(4) The economic development project is annexed under section 5.1 of this chapter.

(c) The annexation territory may not be considered a part of the municipality for purposes of annexing additional territory. The annexation ordinance and fiscal plan must include the basis for the municipality's determination that the project is an economic development project.

(d) If the economic development project that occupies territory that is annexed in accordance with this section is not completed within three (3) years after the date the annexation is effective, the annexation territory reverts to the county. The clerk of the municipality shall notify the offices required to receive notice of a disannexation under section 19 of this chapter when the territory reverts to the jurisdiction of the county.

SECTION 5. IC 36-4-3-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. (a) If the owners of land located outside of but contiguous to a municipality want to have territory containing that land annexed to the municipality, they may file with the legislative body of the municipality a petition:

(1) signed by at least:

(A) fifty-one percent (51%) of the owners of land in the territory sought to be annexed; or

(B) the owners of ~~seventy-five~~ **sixty** percent ~~(75%)~~ **(60%)** of the total assessed value of the land for property tax purposes; and

(2) requesting an ordinance annexing the area described in the petition.

(b) The petition circulated by the landowners must include on each page where signatures are affixed a heading that is substantially similar to the following:

"PETITION FOR ANNEXATION INTO THE (insert whether city or town) OF (insert name of city or town).".

(c) ~~Except as provided in section 5.1 of this chapter,~~ If the legislative body fails to pass the ordinance within one hundred fifty (150) days after the date of filing of a petition under subsection (a), the petitioners may file a duplicate copy of the petition in the circuit or superior court of a county in which the territory is located, and shall include a written statement of why the annexation should take place. Notice of the proceedings, in the form of a summons, shall be served on the municipality named in the petition. The municipality is the defendant in the cause and shall appear and answer.

(d) The court shall hear and determine the petition without a jury, and shall order the proposed annexation to take place only if the evidence introduced by the parties establishes that:

(1) essential municipal services and facilities are not available to the residents of the territory sought to be annexed;

(2) the municipality is physically and financially able to provide municipal services to the territory sought to be annexed;

(3) the population density of the territory sought to be annexed is at least three (3) persons per acre; and

(4) the territory sought to be annexed is contiguous to the municipality.

If the evidence does not establish all four (4) of the preceding factors, the court shall deny the petition and dismiss the proceeding.

(e) This subsection does not apply to a town that has abolished town legislative body districts under IC 36-5-2-4.1. An ordinance adopted under this section must assign the territory annexed by the ordinance to at least one (1) municipal legislative body district.

SECTION 6. IC 36-4-3-5.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5.1. (a) This section applies to an annexation in which owners of land located outside but contiguous to a municipality file a petition with the legislative body of the municipality:

(1) requesting an ordinance annexing the area described in the petition; and

(2) signed by one hundred percent (100%) of the landowners that reside within the territory that is proposed to be annexed.

(b) Sections 2.1 and 2.2 of this chapter do not apply to an annexation under this section.

(c) The petition circulated by the landowners must include on each page where signatures are affixed a heading that is substantially similar to the following:

"PETITION FOR ANNEXATION INTO THE (insert whether city or town) OF (insert name of city or town).".

(d) The municipality may:

(1) adopt an annexation ordinance annexing the territory; and

(2) adopt a fiscal plan and establish a definite policy by resolution of the legislative body;

after the legislative body has held a public hearing on the proposed annexation.

(e) The municipality may introduce and hold the public hearing on the annexation ordinance not later than thirty (30) days after the petition is filed with the legislative body. Notice of the public hearing may be published one (1) time in accordance with IC 5-3-1 at least twenty (20) days before the hearing. All interested parties must have the opportunity to testify at the hearing as to the proposed annexation.

(f) The municipality may adopt the annexation ordinance not earlier than fourteen (14) days after the public hearing under subsection (e).

(g) A landowner may withdraw the landowner's signature from the petition not more than thirteen (13) days after the municipality adopts the fiscal plan by providing written notice to the office of the clerk of the municipality.

(h) If a landowner withdraws the landowner's signature, **the following occurs:**

(1) Except as provided in subdivision (2), the petition shall automatically be considered a voluntary petition that is filed with the legislative body under section 5 of this chapter, fourteen (14) days after the date the fiscal plan is adopted. All provisions applicable to a petition initiated under section 5 of this chapter apply to the petition.

(2) If the petition is for annexation of an economic development project under section 4.2 of this chapter, the annexation ordinance is voided.

~~(h)~~ **(i)** If the municipality does not adopt an annexation ordinance within sixty (60) days after the landowners file the petition with the legislative body, the landowners may file a duplicate petition with the circuit or superior court of a county in which the territory is located. The court shall determine whether the annexation shall take place as set forth in section 5 of this chapter.

~~(i)~~ **(j)** A remonstrance under section 11 of this chapter may not be filed. However, an appeal under section 15.5 of this chapter may be filed.

~~(j)~~ **(k)** In the absence of an appeal under section 15.5 of this chapter, an annexation ordinance adopted under this section takes effect not less than thirty (30) days after the adoption of the ordinance and upon the filing and recording of the ordinance under section 22 of this chapter.".

Page 3, line 12, strike "5.1(i)" and insert "**5.1(j)**".

Page 3, line 13, reset in roman "and (e),".

Page 3, line 13, delete "through (f), with regard to an".

Page 3, delete line 14.

Page 3, line 15, delete "June 30, 2015,".

Page 3, line 15, delete "that does not receive any capital".

Page 3, line 16, delete "or noncapital services from the municipality".

Page 3, line 20, delete "sixty" and insert "**fifty-one**".

Page 3, line 20, delete "(60%)" and insert "**(51%)**".

Page 3, line 22, strike "seventy-five" and insert "**sixty**".

Page 3, line 22, strike "(75%)" and insert "**(60%)**".

Page 3, delete lines 41 through 42.

Page 4, delete lines 1 through 5.

Page 4, line 6, reset in roman "(d)".

Page 4, line 6, delete "(e)".

Page 4, line 10, reset in roman "(e)".

Page 4, line 10, delete "(f)".

Page 4, line 10, delete "the following requirements are" and insert ":".

Page 4, delete line 11.

Page 4, line 13, delete "." and insert ";".

Page 4, line 13, reset in roman "and".

Page 4, delete lines 16 through 19.

Page 4, line 32, delete "in filing the" and insert "**in the filing and litigation of the remonstrance petition, including appeal costs and reasonable attorney's fees in an amount not to exceed forty thousand dollars ($40,000).**".

Page 4, delete lines 33 through 42.

Page 5, delete lines 1 through 12.

Page 5, between lines 20 and 21, begin a new line block indented and insert:

"**(3) The requirements of subsection (i).**".

Page 5, line 32, after "establishes" insert "**one (1) of**".

Page 5, line 33, after "annexed" insert ":

(A)".

Page 5, line 37, delete "." and insert "; **and**".

Page 5, line 38, beginning with "(2)" begin a new line double

block indented.

Page 5, line 38, strike "(2) That the territory sought to be annexed".

Page 5, line 38, after "annexed" insert "**(B)**".

Page 5, between lines 40 and 41, begin a new line block indented and insert:

"**(2) That the territory sought to be annexed is occupied by an economic development project that meets the requirements of section 4.2 of this chapter.**".

Page 7, line 32, delete "sixty" and insert "**fifty-one**".

Page 7, line 32, delete "(60%)" and insert "**(51%)**".

Page 7, line 34, strike "seventy-five" and insert "**sixty**".

Page 7, line 34, strike "(75%)" and insert "**(60%)**".

Page 8, reset in roman lines 13 through 41.

Page 8, line 42, reset in roman "(h)".

Page 8, line 42, delete "(g)".

Page 9, delete lines 8 through 40, begin a new paragraph and insert:

"**(i) Proof that the municipality has complied with the outreach program requirements and notice requirements of section 1.7 of this chapter.**".

Page 9, line 41, delete "(i)" and insert "**(j)**".

Page 10, line 4, delete "A municipality that amends the fiscal plan".

Page 10, delete lines 5 through 9.

Renumber all SECTIONS consecutively.

(Reference is to HB 1561 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 10, nays 0.

MAHAN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Employment, Labor and Pensions, to which was referred House Bill 1019, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to HB 1019 as introduced.)

Committee Vote: Yeas 8, Nays 4.

HARMAN, Chair

Upon request of Representatives Pelath and Goodin, the Speaker ordered the roll of the House to be called. Roll Call 156: yeas 67, nays 28. Report adopted.

HOUSE BILLS ON SECOND READING

House Bill 1068

Representative Thompson called down House Bill 1068 for second reading. The bill was reread a second time by title.

HOUSE MOTION
(Amendment 1068–5)

Mr. Speaker: I move that House Bill 1068 be amended to read as follows:

Page 1, line 6, delete "includes" and insert "**does not include a written, oral, or other communication of information concerning the individual's credit score, creditworthiness, credit standing, or credit capacity, but does include**".

Page 2, delete lines 18 through 42.

Delete page 3.

(Reference is to HB 1068 as printed January 13, 2015.)

THOMPSON

Motion prevailed. The bill was ordered engrossed.

ENGROSSED HOUSE BILLS ON THIRD READING

Engrossed House Bill 1008

Representative Ober called down Engrossed House Bill 1008 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning elections.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 157: yeas 59, nays 35. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsor: Senator Walker.

REPORTS FROM COMMITTEES

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1006, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning corrections.

Page 10, between lines 8 and 9, begin a new paragraph and insert:

"**(c) As used in this section, "treatment for addiction" includes:**

(1) addiction counseling;

(2) inpatient detoxification; and

(3) medication assisted treatment, including United States Food and Drug Administration approved long acting, nonaddictive medications for treatment of opioid and alcohol dependence.

(d) Mental health and addiction services funded under this chapter must be administered or coordinated by a provider certified by the division of mental health and addiction to provide mental health or substance abuse treatment. A certified provider may contract with other licensed professionals to provide additional services funded under this chapter.

(e) Cognitive behavioral interventions funded under this chapter must:

(1) be designed to reduce recidivism; and

(2) include cognitive restructuring, social skills, and problem solving.".

Page 11, delete lines 15 through 22.

(Reference is to HB 1006 as printed February 10, 2015.)

and when so amended that said bill do pass.

Committee Vote: yeas 18, nays 0.

BROWN T, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, to which was referred House Bill 1270, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, after line 15, begin a new paragraph and insert:

"SECTION 2. IC 4-31-7-1, AS AMENDED BY P.L.233-2007, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 1. (a) A person holding a permit to conduct a horse racing meeting or a license to operate a satellite facility may provide a place in the racing

meeting grounds or enclosure or the satellite facility at which the person may conduct and supervise the pari-mutuel system of wagering by patrons of legal age on the horse races conducted or simulcast by the person. The person may not permit or use:

(1) another place other than that provided and designated by the person; or

(2) another method or system of betting or wagering.

However, a permit holder licensed to conduct gambling games under IC 4-35 may permit wagering on slot machines at a racetrack as permitted by IC 4-35.

(b) Except as provided in ~~section~~ **sections** 7 **and 10** of this chapter, ~~and~~ IC 4-31-5.5, **and IC 4-31-7.5,** the pari-mutuel system of wagering may not be conducted on any races except the races at the racetrack, grounds, or enclosure for which the person holds a permit.

SECTION 3. IC 4-31-7-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 3. (a) The following equipment must be provided and maintained in good working order at each permit holder's racetrack or satellite facility, as applicable:

(1) A totalizator for win, place, and show wagering. The totalizator must:

(A) be of a design approved by the commission;

(B) be capable of registering by automatic mechanical, electric, or electronic means on central aggregators all wagers made on each horse, entry, or the field in each of the win, place, and show pools;

(C) display the totals wagered in a manner that permits ready tabulation and recording of those totals by the commission's representative before they are cleared from the central aggregators; and

(D) display to the public on a board running totals of amounts wagered in each of the win, place, and show pools on each entry in each race.

(2) A telephone system connecting the judges' stand with the office of the pari-mutuel plant and any other stations considered necessary by the commission.

(3) A system of bells that shall be rung from the judges' stand to signal the close of wagering.

(4) A button in the judges' stand that, when pressed, will lock ticket-issuing machines and close wagering for each race.

(b) In addition to the requirements of subsection (a), a permit holder may conduct exotic wagering only by the use of automatic mechanical, electric, or electronic devices that:

(1) print and issue tickets evidencing individual wagers;

(2) locally print a permanent record of the tickets issued by each machine or register on central aggregators by automatic mechanical, electric, or electronic means the total dollar value of those tickets; and

(3) permit ready tabulation and recording of those figures by the commission's representative before they are cleared from the central aggregators.

(c) The commission may waive the requirements of subsection (b) if the commission determines by rule that other systems or technologies are available and sufficient to safeguard the public.

(d) This section does not apply to a licensed SPMO (as defined in IC 4-31-7.5-6).

SECTION 4. IC 4-31-7.5 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]:

Chapter 7.5. Advance Deposit Wagering

Sec. 1. In enacting this chapter, it is the intent of the general assembly to recognize changes in technology for pari-mutuel wagering and to retain for the Indiana horse racing industry a part of revenues generated by Indiana residents on wagers placed with secondary pari-mutuel organizations.

Sec. 2. As used in this chapter, "account holder" means an Indiana resident who has established an advance deposit wagering account.

Sec. 3. As used in this chapter, "advance deposit wagering" means a system of pari-mutuel wagering in which wagers of an account holder are debited and payouts are credited to an account established by the account holder, regardless of whether the wagers are made in person, by telephone, or through communication by other electronic means.

Sec. 4. As used in this chapter, "advance deposit wagering account" means an account for advance deposit wagering held by a licensed SPMO.

Sec. 5. As used in this chapter, "communication by other electronic means" means communication by any electronic communication device, including any of the following:

(1) A personal computer or other device enabling communication through the Internet.

(2) A private network.

(3) An interactive television.

(4) A wireless communication technology.

(5) An interactive computer service (as defined in IC 35-45-5-1).

(6) Any other technology approved by the commission.

Sec. 6. As used in this chapter, "licensed SPMO" means a secondary pari-mutuel organization licensed under this chapter.

Sec. 7. As used in this chapter, "secondary pari-mutuel organization" means an entity that offers advance deposit wagering.

Sec. 8. As used in this chapter, "source market fee" refers to the amount of an advance deposit wager made on any race:

(1) through a licensed SPMO; and

(2) by an individual whose principal residence is within Indiana at the time the wager is made;

that a permit holder is entitled to receive from the licensed SPMO under the terms of the contract required by section 10 of this chapter between the licensed SPMO and each permit holder.

Sec. 9. Advance deposit wagering is permitted in Indiana, subject to this chapter and to rules adopted by the commission.

Sec. 10. (a) A licensed SPMO may accept advance deposit wagers for races conducted within or outside Indiana. Advance deposit wagers made under this chapter are considered to have been made in Indiana.

(b) A licensed SPMO must have a single written contract signed by each permit holder. The contract must be approved by the commission. The contract must:

(1) specify the manner in which the amount of the source market fee is determined for each permit holder;

(2) govern all other aspects of the business relationship between the licensed SPMO and each permit holder; and

(3) contain a provision reserving all rights of horsemen's associations under the federal Interstate Horse Racing Act (15 U.S.C. 3001 et seq.).

Sec. 11. The commission shall adopt rules under IC 4-22-2, including emergency rules adopted in the manner provided in IC 4-22-2-37.1, to implement this chapter. Rules adopted under this section may include rules that prescribe:

(1) procedures for verifying the age of an individual opening an advance deposit wagering account or placing a wager with a licensed SPMO;

(2) requirements for opening and administering advance deposit wagering accounts;

(3) a guarantee or acceptable surety that the full value of balances in an advance deposit wagering account will be paid;

(4) record keeping requirements;

(5) licensure procedures, including investigation of applicants, forms for licensure, and procedures for renewal; and

(6) civil penalties for violations of this chapter or the rules adopted by the commission.

Sec. 12. A licensed SPMO shall comply with all applicable federal laws.

Sec. 13. A secondary pari-mutuel organization applying for a license under this chapter must provide the following to the commission:

(1) Written evidence of the approval to conduct advance deposit wagering that the organization has received from the appropriate regulatory authority in each state where the secondary pari-mutuel organization is licensed.

(2) A copy of a proposed contract executed by the applicant and each permit holder to satisfy the requirements of section 10 of this chapter.

(3) A nonrefundable application fee of five thousand dollars ($5,000).

(4) A complete application on a form prescribed by the commission.

(5) Any other information required by the commission.

Sec. 14. The commission may require an applicant to pay any costs incurred by the commission for background checks, investigation, and review of the license application that exceed five thousand dollars ($5,000).

Sec. 15. (a) The commission may issue to a secondary pari-mutuel organization a license to offer advance deposit wagering to Indiana residents if the commission:

(1) finds that the applicant satisfies the requirements of this chapter and the rules adopted by the commission under section 11 of this chapter; and

(2) approves the contract submitted under section 13 of this chapter.

(b) The term of a license issued under this chapter is one (1) year.

(c) The annual license renewal fee is one thousand dollars ($1,000).

Sec. 16. A secondary pari-mutuel organization that is not licensed under this chapter may not accept a wager from an individual whose physical location is within Indiana at the time the wager is made.

Sec. 17. An individual less than twenty-one (21) years of age may not open, own, or have access to an advance deposit wagering account.

Sec. 18. (a) As used in this section, "net source market fee" means the difference between:

(1) the amount of the source market fee received by a permit holder from a licensed SPMO; minus

(2) the amount of expenses incurred by the permit holder under this chapter.

(b) A permit holder shall distribute fifty percent (50%) of the net source market fee it receives from a licensed SPMO to the horsemen's associations approved by the commission as follows:

(1) Eight percent (8%) to the horsemen's association representing quarter horses.

(2) Forty-six percent (46%) to the horsemen's association representing standardbred horses.

(3) Forty-six percent (46%) to the horsemen's associations representing the thoroughbred breed to be allocated as follows:

(A) Eighty percent (80%) to the horsemen's association representing thoroughbred owners and trainers.

(B) Twenty percent (20%) to the horsemen's association representing thoroughbred owners and breeders.

Sec. 19. (a) A permit holder has a right of action against a secondary pari-mutuel organization that accepts a wager in violation of section 16 of this chapter.

(b) If the permit holder prevails in an action filed under this section, the permit holder is entitled to the following:

(1) An injunction to enjoin future violations of this chapter.

(2) Compensatory damages equal to any actual damage proven by the permit holder. If the permit holder does not prove actual damage, the permit holder is entitled to presumptive damages of five hundred dollars ($500) for each wager placed in violation of this chapter.

(3) The permit holder's reasonable attorney's fees and other litigation costs reasonably incurred in connection with the action.

(c) A secondary pari-mutuel organization that accepts a wager in violation of section 16 of this chapter submits to the jurisdiction of Indiana courts for purposes of this chapter.".

Page 2, line 2, after "4." insert "**(a)**".

Page 2, line 3, reset in roman "three (3)".

Page 2, line 3, delete "four (4)".

Page 2, line 5, delete "." and insert "**, who shall chair the committee.**".

Page 2, line 6, delete "of each".

Page 2, line 7, delete "two (2) tracks" and insert "**track**".

Page 2, line 7, after "breed" insert "**of horse**".

Page 2, line 8, after "association" insert "**that is approved for funding by the Indiana horse racing commission and representing owners.**".

Page 2, delete line 9.

Page 2, line 10, before "The" begin a new paragraph and insert:

"**(b)**".

Page 2, line 10, reset in roman "The members of each development committee must be residents of".

Page 2, reset in roman lines 11 through 14.

Page 2, between lines 14 and 15, begin a new paragraph and insert:

"**(c) If more than one (1) horsemen's association for a breed represents owners, the associations must agree on the associations' appointment described in subsection (a)(3) to the development committee.**".

Page 2, line 31, after "where the breed" insert "**of horse**".

Page 2, line 31, delete "If the breed races at more".

Page 2, delete lines 32 through 33.

Page 6, line 20, reset in roman "for any of the following purposes:".

Page 6, line 21, reset in roman "(1)".

Page 6, line 21, delete "to" and insert "To".

Page 6, reset in roman line 22.

Page 6, line 22, delete "For" and insert "**Except as provided in subsections (e) through (h),** for".

Page 6, after line 22, begin a new paragraph and insert:

"**(e) The horsemen's association representing thoroughbred owners and trainers may use funds distributed under section 12(f)(1)(A)(ii) of this chapter for lobbying.**

(f) The horsemen's association representing thoroughbred owners and breeders may use funds distributed under section 12(f)(1)(A)(iii) of this chapter for lobbying.

(g) The horsemen's association representing standardbred owners and trainers may use funds distributed under section 12(f)(2)(C)(ii) of this chapter for lobbying.

(h) The horsemen's association representing quarter horse owners and trainers may use funds distributed under section 12(f)(3)(A)(ii) of this chapter for lobbying.".

SECTION 10. IC 35-45-5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 5. The

provisions of this chapter do not apply to:

(1) pari-mutuel wagering conducted at racetrack locations or satellite facilities licensed for pari-mutuel wagering under IC 4-31; **or**

(2) wagering on horse races conducted through advance deposit wagering accounts authorized by IC 4-31-7.5.".

Renumber all SECTIONS consecutively.

(Reference is to HB 1270 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 0.

DERMODY, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, to which was referred House Bill 1311, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 8 through 13.

Page 1, line 14, delete "3." and insert "**2.**".

Page 2, line 4, delete "4." and insert "**3.**".

Page 2, line 19, after "Indiana." insert "**The commission may issue a brewer's permit under this subsection for a brewery that manufactures not more than ninety thousand (90,000) barrels of beer in a calendar year for sale or distribution within Indiana if the brewer holds more than one (1) brewer's permit and manufactures, at all of the brewer's breweries located in Indiana, an aggregate of more than ninety thousand (90,000) barrels of beer in a calendar year for sale or distribution within Indiana.**".

Page 2, line 34, after "Indiana." insert "**The commission may issue more than one (1) permit under this subsection to a brewer if the brewer manufactures, at all of the brewer's breweries located in Indiana, an aggregate of not more than ninety thousand (90,000) barrels of beer in a calendar year for sale or distribution within Indiana.**".

Page 3, line 14, strike "brewer's brewery" and insert "**brewer**".

Page 3, line 14, after "manufactures" insert ", **at all of the brewer's breweries located in Indiana, an aggregate of**".

Page 3, line 18, after "deliver" insert "**a total of not more than thirty thousand (30,000) barrels of**".

Page 3, line 36, reset in roman "must".

Page 3, line 36, delete "are not required to".

Page 3, line 36, strike "furnish the minimum".

Page 3, line 37, strike "food requirements prescribed by the commission." and insert "**make food available for consumption on the premises. The food may be prepared in a reasonably close proximity to the brewer's premises. The brewer may comply with the requirements of this clause by doing any of the following:**

(i) Placing menus in the brewer's premises of nearby restaurants that will deliver food to the brewery.

(ii) Provide food that the brewery has prepared.

Page 4, delete lines 8 through 15.

Page 4, line 16, delete "(K)" and insert "**(J)**".

Page 4, line 25, delete "(L)" and insert "**(K)**".

Page 6, line 38, strike "brewer" and insert "**brewery**".

Page 7, line 8, after "manufactures" insert "**at any one (1) brewery**".

(Reference is to HB 1311 as introduced.)

and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 0.

DERMODY, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1638, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, between lines 5 and 6, begin a new paragraph and insert:

"SECTION 2. IC 20-19-3-15 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: **Sec. 15. (a) As used in this section, "school" means any of the following:**

(1) A school corporation.

(2) A charter school, including a conversion charter school or a virtual charter school.

(3) A nonpublic school that has any students enrolled who receive a choice scholarship under IC 20-51-4.

(b) A school may not offer or give, as an enrollment incentive, any type of redeemable gift card having monetary value (such as a gift card that may be used at a retail store, grocery store, online store, or other commercial enterprise) to:

(1) a prospective student (or the parent or legal guardian of a prospective student) in exchange for enrolling the prospective student at the school; or

(2) any person in exchange for referring a prospective student to the school.".

Page 5, line 4, delete "two (2) performance categories or designations." and insert "**performance category or designation.**".

Page 14, delete lines 37 through 42.

Page 15, delete lines 1 through 9.

Renumber all SECTIONS consecutively.

(Reference is to HB 1638 as printed February 10, 2015.)

and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 5.

BROWN T, Chair

Report adopted.

ENGROSSED HOUSE BILLS ON THIRD READING

Engrossed House Bill 1010

Representative McMillin called down Engrossed House Bill 1010 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning utilities.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 158: yeas 95, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsor: Senator Merritt.

Engrossed House Bill 1062

Representative Lehman called down Engrossed House Bill 1062 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning trade regulation.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 159: yeas 86, nays 8. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Yoder and Holdman.

Engrossed House Bill 1182

Representative R. Frye called down Engrossed House Bill 1182 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning public safety.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 160: yeas 94, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsor: Senator Crider.

Engrossed House Bill 1192

Representative Mahan called down Engrossed House Bill 1192 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 161: yeas 93, nays 1. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Holdman and Steele.

Engrossed House Bill 1248

Representative Moed called down Engrossed House Bill 1248 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning agriculture and animals and to make an appropriation.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 162: yeas 89, nays 5. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Merritt, Head, Banks and Taylor.

Engrossed House Bill 1283

Representative Pryor called down Engrossed House Bill 1283 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 163: yeas 94, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsor: Senator Hershman.

Engrossed House Bill 1298

Representative Torr called down Engrossed House Bill 1298 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 164: yeas 93, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsor: Senator Holdman.

Engrossed House Bill 1303

Representative McMillin called down Engrossed House Bill 1303 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning professions and occupations.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 165: yeas 67, nays 26. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsor: Senator Pat Miller.

Engrossed House Bill 1304

Representative McMillin called down Engrossed House Bill 1304 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning criminal law and procedure.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 166: yeas 94, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsor: Senator Steele.

Engrossed House Bill 1333

Representative Truitt called down Engrossed House Bill 1333 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning higher education.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 167: yeas 95, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsor: Senator Kenley.

Engrossed House Bill 1372

Representative Richardson called down Engrossed House Bill 1372 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning elections.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 168: yeas 94, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Walker and Pete Miller.

Engrossed House Bill 1397

Representative Soliday called down Engrossed House Bill 1397 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning transportation.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 169: yeas 93, nays 1. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Charbonneau, Randolph and Rogers.

Engrossed House Bill 1401

Representative Washburne called down Engrossed House Bill 1401 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning criminal law and procedure.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 170: yeas 94, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsor: Senator Young.

Engrossed House Bill 1452

Representative Eberhart called down Engrossed House Bill 1452 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning natural and cultural resources.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 171: yeas 94, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Glick and Mrvan.

The Speaker yielded the gavel to the Speaker Pro Tempore, Representative Friend.

Engrossed House Bill 1453

Representative Eberhart called down Engrossed House Bill 1453 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning natural and cultural resources.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 172: yeas 55, nays 39. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Glick, Messmer, Yoder and Steele.

Engrossed House Bill 1541

Representative Dermody called down Engrossed House Bill 1541 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 173: yeas 94, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Kruse, Broden and Arnold.

The Speaker Pro Tempore yielded the gavel to the Speaker.

Engrossed House Bill 1616

Representative Clere called down Engrossed House Bill 1616 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning human services.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 174: yeas 94, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Becker, Broden, Grooms and Holdman.

Engrossed House Bill 1636

Representative Behning called down Engrossed House Bill 1636 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning education.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 175: yeas 82, nays 12. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill. Senate sponsors: Senators Kruse and Yoder.

OTHER BUSINESS ON THE SPEAKER'S TABLE

PETITION TO CHANGE VOTING RECORD

Mr. Speaker: Pursuant to House Rule 75, I hereby petition to change my voting record on the committee report on House Bill 1019, Roll Call 156, on February 17, 2014. In support of this petition, I submit the following reason:

"I was present and in my seat, but when I attempted to vote, I inadvertently pushed the nay button when I intended to vote yea ."

SLAGER

There being a constitutional majority voting in favor of the petition, the petition was adopted. [*Journal Clerk's note: this changes the vote tally for Roll Call 156 to 68 yeas, 27 nays.*]

HOUSE MOTION

Mr. Speaker: I move that House Rule 105.1 be suspended for the purpose of adding more than three coauthors and that Representatives M. Smith, Bacon, Hale, C. Brown, Olthoff, Lawson, Shackleford, Ziemke, Kirchhofer, McNamara, Arnold, T. Brown, Zent, Richardson, Porter, Riecken, Pelath, Macer, Wright and GiaQuinta be added as coauthors of House Bill 1004.

SULLIVAN

The motion, having been seconded by a constitutional majority and carried by a two-thirds vote of the members, prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Dermody be added as coauthor of House Bill 1008.

OBER

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representatives Steuerwald and Dvorak be added as coauthors of House Bill 1015.

COX

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that House Rule 105.1 be suspended for the purpose of adding more than three coauthors and that Representatives Lucas and Richardson be added as coauthors of House Bill 1019.

TORR

The motion, having been seconded by a constitutional majority and carried by a two-thirds vote of the members, prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Price be added as coauthor of House Bill 1044.

MORRISON

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Forestal be added as coauthor of House Bill 1062.

LEHMAN

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Hale be added as coauthor of House Bill 1298.

TORR

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that House Rule 105.1 be suspended for the purpose of adding more than three coauthors and that Representatives Hale and Klinker be added as coauthors of House Bill 1333.

TRUITT

The motion, having been seconded by a constitutional majority and carried by a two-thirds vote of the members, prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representatives GiaQuinta, Cox and Cook be added as coauthors of House Bill 1372.

RICHARDSON

HOUSE MOTION

Mr. Speaker: I move that Representative Truitt be removed as 1st author and Representative Negele be substituted therefor and Representative Truitt be added as coauthor of House Bill 1561.

TRUITT

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that House Rule 105.1 be suspended for the purpose of adding more than three coauthors and that Representatives Lawson, Bosma, Bacon, Kirchhofer, Behning, Davisson, Frizzell, Lehe, Slager, C. Brown, Porter, Shackleford, Pelath, Harris, Kersey, DeLaney, Macer, Ober, Harman, Leonard, Smaltz, Steuerwald, Washburne, Mayfield, Price, Arnold, Lucas, Gutwein, Baird, Soliday, Aylesworth, Frye, M. Smith, Cherry, VanNatter, Beumer, Burton, DeVon, Hamm, McNamara, Miller, Rhoads, Cook, Riecken, Forestal, Moed, Torr, Ubelhor, Clere, Morris and Judy be added as coauthors of House Bill 1615.

ZENT

The motion, having been seconded by a constitutional majority and carried by a two-thirds vote of the members,prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representatives Bartlett, DeLaney, Hale, Macer, Moed, Porter, Pryor and Summers be added as coauthors of House Resolution 14.

SHACKLEFORD

Pursuant to House Rule 60, committee meetings were announced.

On the motion of Representative Harman, the House adjourned at 6:45 p.m., this seventeenth day of February, 2015, until Thursday, February 19, 2015, at 10:00 a.m.

BRIAN C. BOSMA
Speaker of the House of Representatives

M. CAROLINE SPOTTS
Principal Clerk of the House of Representatives